



Municipality of Clarington

Community Improvement Plan

Draft Report: May 2026

Clarington

SPM

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1 INTRODUCTION

1.1 CIP Purpose

The Municipality of Clarington Community Improvement Plan (CIP) is a strategic planning and economic development tool that provides a framework for directing financial incentives to projects that advance community improvement priorities. Through this CIP, the Municipality may offer grants and other forms of assistance to support development, redevelopment, rehabilitation, and property improvement in areas and sectors where public support can help stimulate desired investment and community benefit.

The CIP is intended to support a range of municipal objectives, including downtown revitalization, housing supply, employment growth, rural economic diversification, brownfield redevelopment, and strategic tourism-related investment. It is structured to respond to Clarington's evolving needs by enabling targeted support for priority sectors, project types, and geographic areas where investment can contribute to broader economic, social, and physical improvement outcomes.

Under Section 28 of the *Planning Act*, municipalities may adopt Community Improvement Plans and provide financial assistance programs to encourage private sector investment in projects that support local planning and economic development goals.

The purpose of the Clarington CIP is to encourage investment in projects that strengthen the Municipality's economic vitality, improve the built environment, expand housing opportunities, support business development, and enhance the long-term function and competitiveness of key areas across the community. The programs in this CIP are intended to reduce financial barriers to investment, support projects that align with municipal policy objectives, and help direct growth and reinvestment in a manner that contributes to complete, resilient, and attractive communities.

1.2 CIP Duration

The Municipality of Clarington CIP will be in effect for a five-year period following approval by Council. The CIP shall be reviewed after Year 3 to assess program uptake, funding commitments, administrative effectiveness, and whether any amendments are warranted. The Municipality may limit the programs available and/or the period for intake of applications at any time within this plan horizon to manage any commitments it has related to program funding.

1.3 Key Goals by Program Sector

The updated Clarington CIP is organized around six program sectors, each with distinct but complementary community improvement objectives:

- **Downtown Commercial:** support façade, signage, accessibility, and building improvements; encourage new commercial and mixed-use development; reinforce downtown character; and stimulate private investment in Clarington’s Downtown Priority Areas.
- **Housing:** increase the supply of rental housing through Additional Dwelling Units (ADUs) and purpose-built rental development, with a particular focus on creating and maintaining Affordable rental housing.
- **Employment Lands:** support the expansion of existing industrial businesses, attract major new investment, and encourage development in targeted employment sectors (nuclear energy and related engineering, technical, and environmental sectors) that strengthen Clarington’s economic base.
- **On-Farm Diversification:** support farm-related diversification opportunities by helping to reduce barriers to new investment, improve agricultural buildings and signage, and encourage value-added and agri-tourism uses in rural areas.
- **Brownfields:** encourage the investigation, remediation, and redevelopment of underutilized or potentially contaminated properties by helping to offset the costs and risks associated with environmental assessment and site cleanup.
- **Conference/Banquet Facilities:** encourage investment in conference/banquet facility development that supports tourism, business activity, and Clarington’s ability to attract visitors, events, and related economic activity.

1.4 Document Structure

The CIP outlines the full scope of financial incentive programs provided by the Municipality of Clarington. The CIP identifies eligibility as well as geographic priority areas within which these programs will operate. The CIP also identifies a range of resource requirements for the successful implementation of the plan, including the application process and program administration details.

Specifically, the CIP document is divided into the following sections:

Section 1 Introduction: Describes the rationale and goals of the CIP.

Section 2 CIP Applicability: This section identifies the boundaries of the Community Improvement Project Area (CIPA); priority areas within it, and geographic applicability for each program sector.

Section 3 Who Can Apply: Details the general and more detailed eligibility for applying to CIP programs.

Section 4 Incentive Programs Overview: Summarizes the suite of programs offered under the CIP including eligible costs/projects, funding maximums and/or minimums.

Section 5 How to Apply: This section of the document outlines the application intake process, required information and documents, as well as other implementation considerations.

Section 6 Review and Approval Process: This section details the process of review and approval after a complete application is received, including approval authority within the Municipality.

Appendices: Including the legislative and policy framework, and detailed protocols and eligibility requirements for programs outlined in Section 4: Incentive Programs Overview.

1.5 Definitions

Additional Dwelling Units (ADUs) are self-contained residential units with a private kitchen, bathroom facilities and sleeping areas within homes or accessory structures. They are also known as secondary suites, in-law suites, in-house apartments, and basement apartments.

Affordable (for the purposes of Affordable Purpose-Built Rental Housing) means affordable rental housing, respectively, as defined in the provincial Affordable Residential Units for the Purposes of the *Development Charges Act, 1997* Bulletin, as updated from time to time by the Minister of Municipal Affairs and Housing.

Affordable (for the purposes of Affordable Accessory Dwelling Units (ADUs)) means rental accommodation that costs less than 30% of a household's before-tax income (CMHC).

Conference/Banquet Facility means a specialized venue dedicated to hosting large-scale corporate, social, and public events. They provide in-house catering and flexible, scalable room configurations.

Base Assessment means property assessments by the Municipal Property Assessment Corporation (MPAC). MPAC establishes current value assessments and classifications for all properties in Ontario. Municipalities determine revenue requirements, set municipal tax rates, and collect property taxes to pay for municipal services.

Brownfields means undeveloped or previously developed properties that may be contaminated. They are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant (Provincial Planning Statement).

Building Permits are issued by the local body responsible for enforcing Ontario's Building Code and are required for the construction, renovation, demolition and certain changes of use of buildings.

Community Improvement Plan (CIP) is a planning tool under Section 28 of the Ontario Planning Act which permits planning and financial assistance programs involving lands, buildings, loans, grants and tax assistance for designated community improvement project areas.

Community Improvement Project Area (CIPA) means “a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason” (Ontario Planning Act, Section 28).

Complete Application is a completed application form accompanied by all required supporting materials as requested by the Municipality of Clarington such that the application can then be forwarded to the appropriate staff members for review and evaluation.

Development means any of the following events: (a) the construction, erection, or placing of a building or structure; (b) the addition to or alteration of a building or structure; (c) the creation of a new lot and/or increase in the number of permitted units on a lot; (d) the change in use or the increase in intensity of use of any building, structure, or premises; (e) activities such as site-grading, excavation, removal of topsoil or peat, the placing or dumping of fill, or the extraction of mineral aggregate; or drainage works, except for the maintenance of existing municipal and agricultural drains (Municipality of Clarington Official Plan).

Development Charges are fees levied on development to help finance the infrastructure required to service growth. Under the *Development Charges Act*, 1997, as amended, local municipal councils may pass a By-law imposing development charges. A charge imposed pursuant to the Clarington Development Charges By-law ([No. 2025-070](#)).

Downtown Priority Area is a sub-area within the Municipality-wide CIPA where certain incentive programs apply, as identified in the CIP.

Education Portion means taxes arising from that element of the total tax rate set annually, which is collected by the Province of Ontario to support the provincial school By-laws.

Eligible Costs includes all capital cost categories for which the Owner is entitled to Program Assistance from the municipality as may be approved and as may be provided for in the CIP and further specified in any Agreement that may be required to execute funding.

Eligible Property means a property located within the Community Improvement Project Area (CIPA) that satisfies the applicable criteria set out in this CIP, including the relevant land use designation in effect for the lands.

Employment area means those areas designated in an official plan for clusters of business and economic activities including manufacturing, research and development in connection with manufacturing, warehousing, goods movement, associated retail and office, and ancillary facilities. An employment area also includes areas of land described by subsection 1(1.1) of the Planning Act. Uses that are excluded from employment areas are institutional and commercial, including retail and office not associated with the primary employment use listed above (Provincial Planning Statement).

Environmental Site Assessment means an investigation in relation to land to determine the environmental condition of property, and includes a phase one environmental site assessment and a phase two environmental site assessment ([Ontario Regulation 153/04](#)).

Industrial means “any land, building or structure or portions thereof used, designed or intended for or in connection with manufacturing, producing, processing, fabricating, assembling, refining, research and development, storage of materials and products, truck terminals, warehousing, but does not include, (a) retail service sales or rental areas, storage or warehousing areas used, designed or intended to be used in connection with retail sales, service or rental areas, warehouse clubs or similar uses, self-storage mini warehouses, and secure document storage; and (b) office areas that are not accessory to any of the foregoing areas or uses or accessory office uses that are greater than 25% of the gross floor area of the building.” (Clarington Development Charges By-law [No. 2025-070](#)). This definition is sub-ordinate to the definition of Employment area as per the Provincial Planning Statement.

Intensification means the development of a property, site or area at a higher density than currently exists through: a) redevelopment, including the reuse of brownfield sites and underutilized shopping malls and plazas; b) the development of vacant and/or underutilized lots within previously developed areas; c) infill development; and d) the expansion or conversion of existing buildings (Provincial Planning Statement).

MPAC means the Municipal Property Assessment Corporation.

Municipal Portion means taxes arising from that element of the total tax rate, set annually, which supports expenditures by the municipality.

Non-Residential means the development meets the definition of “non-residential” under the Clarington Development Charges By-law ([No. 2025-070](#)): “a building or portions of a mixed-use building containing floors or portions of floors which are used, designed or intended to be used for a purpose which is not residential, and includes a hotel, motel and a retirement residence”.

On-Farm Diversified Uses means uses that are secondary to the principal agricultural use of the property, and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, agri-tourism uses, uses that produce value-added agricultural products, and electricity generation facilities and transmission systems, and energy storage systems (Provincial Planning Statement, 2024).

Owner means the registered Owner of the Lands and includes any successors, assigns, agents, partners and any affiliated corporation. Financial assistance through tax-based funding is provided to the registered owner of the property irrespective of any assignment of those funds to another party by the owner under separate agreement between the owner and a third party.

Phase One ESA is the study conducted to determine the likelihood that one or more contaminants have affected all or part of a property. The specific requirements for carrying out a Phase One ESA are set out in Part VII of the [Ontario Regulation 153/04](#).

Phase Two ESA is the study conducted to determine the location and concentration of one or more contaminants in the natural environment. The specific requirements for carrying out a Phase Two ESA are set out in Part VIII of [the Ontario Regulation 153/04](#).

Purpose-Built Rental Housing means a building or structure with four or more dwelling units all of which are intended for use as rented residential premises (Development Charges Act, 1997).

Record of Site Condition (RSC) is a document filed electronically in the Environmental Site Register (ESR). It is a report documenting the results of one or more Environmental Site Assessments (ESAs) of a property conducted or supervised by a Qualified Person. For a more detailed definition refer to [Ontario Regulation 153/04](#).

Redevelopment means the creation of new units, uses or lots on previously developed land in existing communities (Municipality of Clarington Official Plan).

Regional Portion means taxes arising from that element of the total tax rate set annually by the Regional Municipality of Durham.

Remediation Plan means Remediation Works and any Risk Management Plan developed for the Lands.

Risk Assessment means site investigation and other actions undertaken by a Qualified Person for Risk Assessment in accordance with the Ministry of the Environment guideline entitled *Procedures for the use of Risk Assessment under Part XV.1 of the Environmental Protection Act*.

Serviced land refers to building lots or acreage equipped with essential infrastructure, including municipal water, sewer, electricity, and road access, making it immediately ready for development.

Tax Increment means the difference between the property tax liability for the lands in any year of the Program and the existing “base” tax liability. The Tax Increment is limited to the Municipal Portion of the tax liability in those instances where program assistance is limited to the Municipal Portion of taxation as provided for in the CIP.

Tax Increment Grant Agreement means an agreement, with the force of law, that establishes the terms of the tax assistance program and the obligations of both the applicant and the municipality, as well as remedies for default by the applicant.

Tax Liability means the annual real property taxes levied by the municipality including the Municipal, Regional and Education Portions of the taxes.

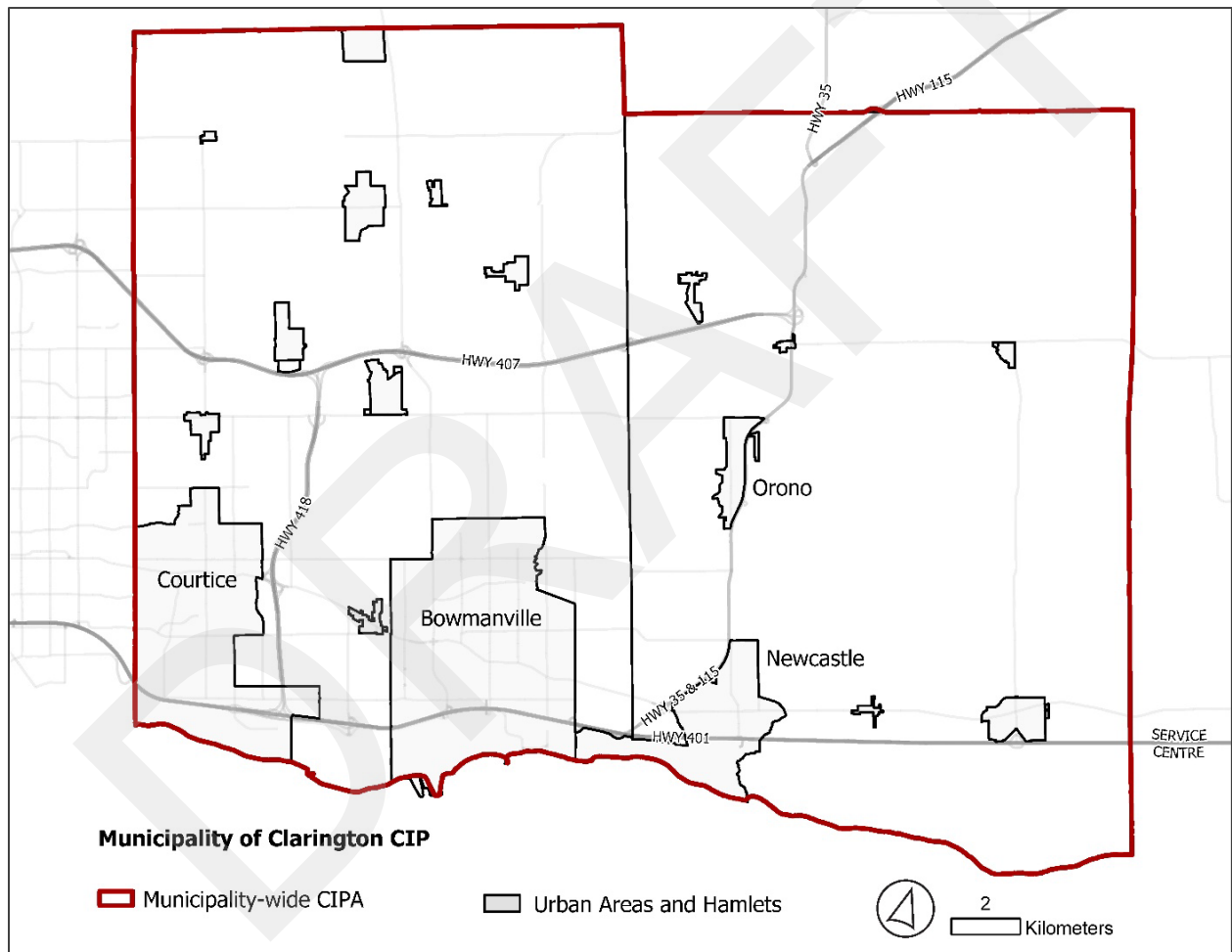
TIEG means Tax Increment Equivalent Grant as provided for under Section 28(7) of the Ontario Planning Act.

2 CIP APPLICABILITY

2.1 Community Improvement Project Area

The Municipality of Clarington's Official Plan designates the entirety of the Municipality as a Community Improvement Project Area (CIPA). The CIP contains policies that respond to a variety of specific issues in several areas of the Municipality. The following map shows the municipality-wide CIPA (Figure 1).

Figure 1. Municipality-wide CIPA



Source: SPM

Figure 3. Newcastle Downtown Priority Area

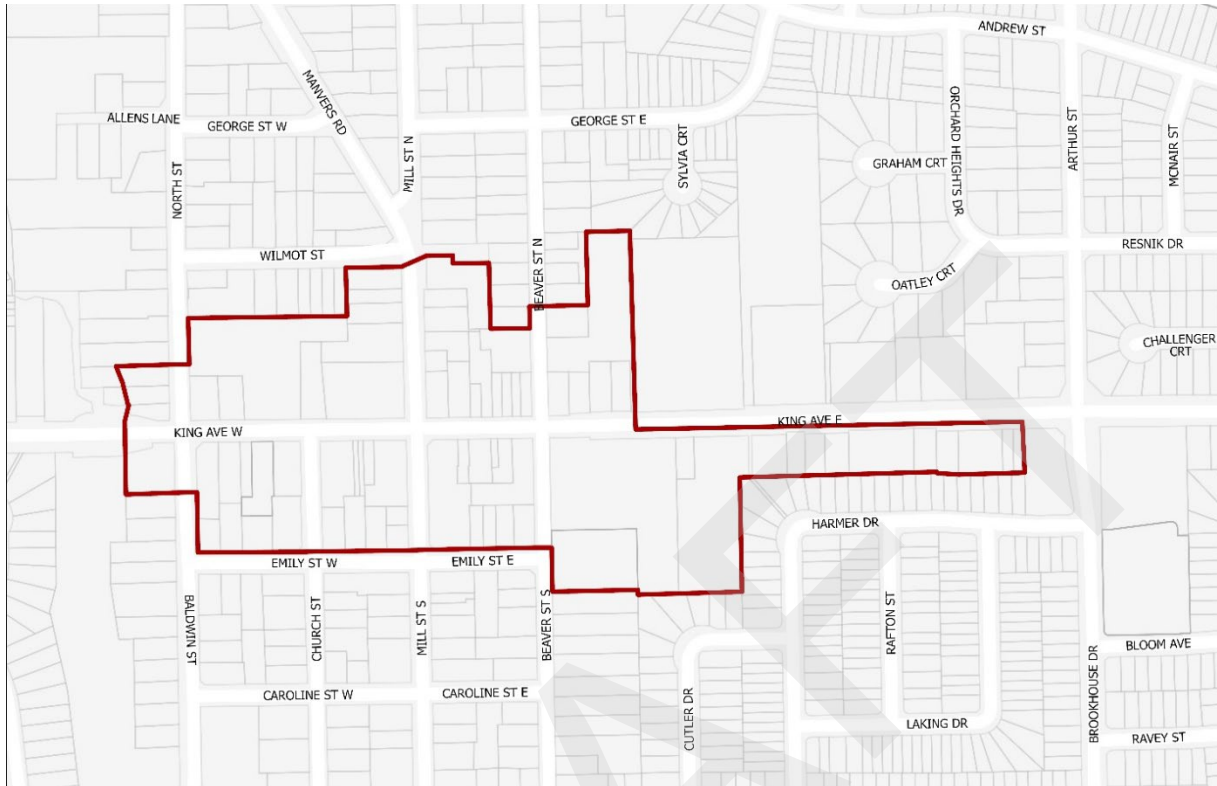


Figure 4. Orono Downtown Priority Area



2.3 Geographic Applicability by Program Sector

This section explains where each CIP program sector applies across the municipality. The table below is intended to help applicants quickly confirm whether their property is eligible based on location and the applicable Official Plan or Secondary Plan land use designations.

Where eligibility is tied to a land use designation, the applicant should confirm the subject property’s designation in the Official Plan and/or the applicable Secondary Plan. Some sectors include multiple programs with different geographic scopes; the applicant should reference the individual program description for any program-specific requirements.

Any change to a land use designation (e.g., to maintain conformity with provincial legislation) may require a review of the CIP and, where necessary, an amendment to reflect the revised designation.

Figure 5: Geographic Applicability by Program Sector

Program Sector	Applicable Area
Downtown Commercial	<ul style="list-style-type: none"> • Downtown Priority Areas (per Figures 2, 3, and 4) • Scoped by Official Plan and Secondary Plan land use designations: <ul style="list-style-type: none"> • Bowmanville Urban Centre: Street-related Commercial & Mixed-use • Newcastle Village Centre: Street-related Commercial & Mixed-use • Orono Village Centre
Housing	<ul style="list-style-type: none"> • Municipality-wide CIPA (ADUs) • Urban Areas (Affordable Rentals)
Employment Lands	<ul style="list-style-type: none"> • Municipality-wide CIPA • Scoped by Official Plan and Secondary Plan land use designations (Business Park, Prestige Employment, General Industrial, Light Industrial); differs by program
On-Farm Diversification	<ul style="list-style-type: none"> • Municipality-wide CIPA • Scoped by Official Plan land use designation (Prime Agricultural Area and Rural Area)
Brownfields	<ul style="list-style-type: none"> • Municipality-wide CIPA
Conference/Banquet Facilities	<ul style="list-style-type: none"> • Municipality-wide CIPA

3 WHO CAN APPLY

3.1 General Eligibility

The following general eligibility requirements must be met by all applicants to any incentive program in this CIP. These requirements must be read in association with the program-specific eligibility requirements provided in Section 4 and detailed in Appendix B through G.

Eligibility under this CIP is limited to those land use designations specified in Section 2.3 and further defined within each specific incentive program. This includes development, redevelopment, and expansion of eligible uses, subject to any exclusions within each specific incentive program.

- Eligible applicants include registered property owners, assessed owners, tenants, and assignees, as identified in Section 28(7) of the *Planning Act*.
- Applicants shall be required to schedule and attend a pre-application consultation meeting with the Municipality to confirm the application requirements for the applicable incentive program(s) under this CIP.
- All proposed development shall conform to the Municipality of Clarington's Official Plan, Zoning By-law, Downtown Design Guidelines, Clarington Accessibility Design Standards, and other planning and building requirements.
- All improvements shall be made pursuant to a building permit, and constructed in accordance with the Ontario Building Code, where required.
- All proposed development must meet the goals of this CIP.
- Only eligible properties located within the boundary of the Clarington CIPA as defined in Section 2.1, are eligible for financial incentive programs offered under this CIP.
- Applications in respect of properties that are in default of any municipal by-law, subject to outstanding property tax arrears, or associated with applicants engaged in ongoing litigation with the Municipality shall not be considered unless and until such default, arrears, or litigation has been resolved. Applicants shall also be in good standing with respect to all other municipal fees and levies payable in relation to the subject property. An application may be reinstated once all outstanding tax arrears and municipal charges have been paid in full.

3.2 Retroactivity

The following circumstances shall be ineligible for CIP funding, as retroactive financial assistance shall not be provided under this CIP:

- Projects for which any work commenced prior to Council adoption of this CIP shall be ineligible for funding;
- Work completed during the term of this CIP without a prior application, where funding is subsequently requested after completion, shall be ineligible for funding; and
- Projects for which any work related to Eligible Costs commenced prior to submission or approval of the application shall be ineligible for funding.

3.3 Additional Conditions for Affordable Housing

Program 7, which supports the development of Affordable rental units, is subject to additional requirements to ensure funded units remain Affordable over the long term and continue to provide lasting community benefit.

In addition to the general eligibility and application requirements outlined above, applicants seeking Affordable housing incentives must satisfy the following conditions:

- Eligible applicants are required to enter into a binding legal agreement with the Municipality of Clarington as a condition of receiving incentives for providing Affordable rental housing. This agreement will include the following provisions:
 - Each development that receives support under the CIP program must include units that meet the CIP's definition of Affordable housing (for the purposes of Affordable Purpose-Built Rental Housing).
 - The legal agreement must be registered on the property title, and all associated registration costs are the responsibility of the applicant or property owner.
 - The agreement is binding not only on the original owner but also on heirs, successors, assignees, and any subsequent transferees in the event of a change in property ownership.
 - To receive a grant, the housing provider must submit annual documentation to the Municipality of Clarington's Planning and Infrastructure Services Department, demonstrating that each rental unit continues to meet affordability requirements. This evidence may include a signed lease indicating the tenant's name and affordable rental rate, as well as proof of payment aligning with the lease terms.

- Should the housing provider fail to meet the obligations set out in the agreement, they will be required to repay the Municipality the full amount of benefits received, including any applicable costs and interest.
- The agreement will also include any other contractual provisions deemed necessary by the Municipality of Clarington, based on standard contractual drafting principles.
- Additional reasonable requirements and conditions may be included in the agreement on a project-specific basis, as determined by the Municipality.
- The agreement must specify that Affordable rental units created through the incentive programs remain Affordable for a minimum period of 25 years.

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4 INCENTIVE PROGRAMS OVERVIEW

4.1 Downtown Commercial

Programs 1 through 5 are intended to facilitate improvements and private investment in Downtown Priority Areas, with a focus on commercial and mixed-use properties and buildings, commercial development, accessibility improvements, and maintaining the heritage character. These are:

- Program 1: Façade and Signage Improvement Grant
- Program 2: Commercial Accessibility Improvement Grant
- Program 3: Commercial Building Renovation Grant
- Program 4: Municipal Fees Grant – Downtown Commercial Stream
- Program 5: Tax Increment Equivalent Grant (TIEG) – Downtown Commercial Stream

Program 1: Façade and Signage Improvement Grant

Program Purpose:

To support comprehensive exterior improvements to publicly accessible commercial properties. The grant is designed to promote façade and signage improvements and to encourage private sector property owners and/or tenants to implement aesthetic improvements to their property(ies).

Applicants may apply for one or more of the following grants to cover eligible renovation costs and may receive all four grants if they meet the program criteria:

- Grant A: Façade Improvements
- Grant B: Heritage Façade Top-Up
- Grant C: Signage Improvements
- Grant D: Graffiti Remediation

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan;

- You are a property owner or tenant (with written consent of the property owner) of an existing commercial or mixed-use (commercial-at-grade) properties; including former residential buildings now used, in part or in whole, for commercial use; and
- The proposed design conforms to the Municipality of Clarington's Downtown Design Guidelines.

Financial Incentive:

Grants will be applied as follows:

- **Grant A: Façade Improvements:** 50% cost matching up to a maximum of \$10,000 per property OR \$15,000 for properties with more than one façade. The minimum grant is \$2,500 per property. This grant may be used once per property during the five-year CIP period.
- **Grant B: Heritage Façade Top-Up:** For façade improvements, an additional \$5,000 (at the Municipality's discretion) may be added to the maximum funding for heritage properties that are designated under Part IV of the Ontario Heritage Act (OHA) and included on the municipal heritage register. This grant may be used once per property during the five-year CIP period.
- **Grant C: Signage Improvements:** 50% cost-matching up to a maximum of \$4,000 per property. The minimum grant is \$1,000 per property. This grant may be used once per property during the five-year CIP period.
- **Grant D: Graffiti Remediation:** Up to a maximum of \$500 (at the Municipality's discretion). This grant may be used once per property during the five-year CIP period.

Additional Considerations:

- The grant is applicable to façade and signage improvements and upgrades to the street fronts of properties, but it may also be applied to the rear or side of a property only in cases where the rear or side of a property is facing a street, public park, public gathering space, or parking area that is accessible to the general public.

Program 2: Commercial Accessibility Improvement Grant

Program Purpose:

This program is intended to assist property owners with the financing of improvements required to bring older buildings into greater compliance with accessibility standards.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;

- Your property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan.
- You are a property owner or tenant (with written consent of the property owner) of an existing commercial or mixed-use (commercial-at-grade) properties; including former residential buildings now used, in part or in whole, for commercial use; and
- The proposed improvements adhere to the Clarington Accessibility Design Standards (CADS).

Financial Incentive:

This program shall provide cost-matching up to 50% or up to a maximum of \$10,000 per property, whichever is less. The minimum grant amount is \$2,500 per property.

Additional Considerations:

- Only those costs associated with accessibility improvements to the commercial portion of the building are eligible for this grant.
- Accessibility improvements may include, but are not limited to, installation of hand railings, ramps, automatic door openers, doorway widening, washroom renovations, etc.
- Exterior improvements must not adversely affect the building’s façade or the surrounding streetscape.

Program 3: Commercial Building Renovation Grant

Program Purpose:

To leverage private sector investment by promoting functional improvements and upgrades to an older building stock. Improvements may include building restoration, renovation, interior improvement or structural upgrades of existing commercial and mixed-use buildings in downtown commercial areas. This program includes the conversion of upper floor space to residential and/or office use (where permitted).

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan;
- You are a property owner or tenant (with written consent of the property owner) of an existing commercial or mixed-use (commercial-at-grade) properties; including former residential buildings now used, in part or in whole, for commercial use; and
- The proposed improvements adhere to the Clarington Accessibility Design Standards (CADS) and Downtown Design Guidelines (as applicable).

Financial Incentive:

This grant provides cost matching of up to 50% up to a maximum of \$20,000 per property. The minimum amount of the grant is \$10,000 per property.

Additional Considerations:

- This program is not applicable to new buildings or major floorspace additions to existing buildings.
- Projects must improve the long-term functionality of the building. Projects for general tenant fit-up of space and typical lifecycle related building system replacements (e.g., roof replacement) are not eligible.

Program 4: Municipal Fees Grant – Downtown Commercial Stream

Program Purpose:

To assist with the preconstruction cost of site plan control and building permit fees. This program offers property owners with plans to develop new commercial and commercial mixed-use (commercial at grade) or renovate existing commercial buildings a grant equivalent to a reduction in applicable site plan control and building permit fees. Such a grant, in concert with other program support, help encourage new development efforts through reducing initial regulatory costs.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan; and
- Your proposed project includes commercial uses or mixed-use commercial (with commercial at grade).

Financial Incentive:

Grants will be applied as follows:

- **Site Plan Control Fee Grant:** Up to a maximum of \$3,000 per property or the cost of the eligible site plan control fees, whichever is less.
- **Building Permit Fee Grant:** Up to a maximum of \$5,000 per property or the cost of the combined eligible building permit fees, whichever is less.

Additional Considerations:

- Fees are to be paid in advance and are to be reimbursed upon successful completion and approval of an application.

- Applicable to site plan control fees being in full force and effect at the time of application; and building permit fees as applicable to any development pursuant to the Building Code Act.
- Fees associated with any other municipal processes, or outside agencies are not subject to the grant.

Program 5: Tax Increment Equivalent Grant (TIEG) – Downtown Commercial Stream

Program Purpose:

To leverage increased property tax assessments and help offset the financial costs of new development, a Tax Increment Equivalent Grant (TIEG) may be provided where a property’s assessed value increases as a result of the creation of new commercial space in a standalone building or as part of a mixed-use building (with residential above).

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan;
- Your proposed project includes commercial uses, either in a standalone building or as part of a mixed-use development (with commercial at grade); and
- Your proposed project will result in the development of a minimum of 300 sq. m of net new commercial space.

Financial Incentive:

This program (TIEG – Downtown Commercial Stream) shall provide up to 50% of the municipal property tax increment generated by an eligible development for a maximum term of 5 years, or the total of eligible costs, whichever occurs first.

This program is structured as a staircase approach to funding as follows:

Year 1: grant equal to 50% of the municipal tax increment

Year 2: 40%

Year 3: 30%

Year 4: 20%

Year 5: 10%

Additional Considerations:

- Funding is limited to one grant per property, regardless of whether development is phased.
- For mixed-use development, tax assistance is limited to the commercial portion of the building only. The non-commercial portions are not eligible for this TIEG stream.
- Property taxes must be paid when due. Reimbursements will be issued to approved applicants (up to the maximum amount available based on the approved annual budget) once all required agreements have been executed and the Municipality has received proof of substantial occupancy.
- Only the eligible municipal property tax increment is reimbursable under this program; all other taxes, levies, fees, and charges are not eligible for reimbursement.

4.2 Housing

Programs 6 and 7 of this CIP are intended to support the Municipality’s housing targets and encourage private sector investment in the provision of rental housing, with a focus on affordability. These programs are:

- Program 6: Additional Dwelling Unit (ADU) Grant
- Program 7: Tax Increment Equivalent Grant (TIEG) – Affordable Rental Housing Stream

Program 6: Additional Dwelling Unit (ADU) Grant

Program Purpose:

Council has identified increasing housing supply and supporting gentle density as key priorities. ADUs are an important tool to expand housing options and improve affordability. The ADU Grant Program is intended to provide a financial incentive to construct new ADUs throughout the Municipality of Clarington. By offering a grant to offset building permit and related municipal fees, the program encourages gentle intensification and supports the creation of units that are more affordable to low- and moderate-income residents.

Because building permit fees cannot be waived under the *Building Code Act*, as they must be collected on a cost-recovery basis, the program is structured as a grant.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within the Municipality of Clarington;
- Your property is serviced and has zoning permissions to allow for an ADU;

- You have received all required agency approvals (e.g., Conservation Authority, Durham Health Department); and
- You have obtained a new ADU building permit.

Financial Incentive:

- Each eligible ADU will receive a one-time grant of \$5,000, payable upon issuance of an occupancy permit and submission of a complete grant application.

Additional Considerations:

- The owner will be required to submit a signed attestation to maintain the unit as affordable, per CMHC definitions, for a period of 5 years.
- The number of ADUs permitted on a property will be guided by the Municipality of Clarington’s Zoning By-law, in effect at the time of application.
- To be eligible, the grant must apply to a **new** ADU. “New” refers to a unit receiving its first building permit approval and counted as a new housing start in Clarington. This includes:
 - A new unit within an existing dwelling.
 - A new ADU in an accessory structure.
 - A new unit in a new dwelling on a new or existing lot.
 - An ADU receiving an occupancy permit, where permitted by zoning regulations.

Program 7: Tax Increment Equivalent Grant (TIEG) - Affordable Rental Housing Stream

Program Purpose:

To leverage increased property tax assessments and help offset the financial costs of new development, a Tax Increment Equivalent Grant (TIEG) may be provided where a property’s assessed value increases as a result of the creation of Affordable Purpose-Built Rental Housing. The program may apply to residential or mixed-use developments, including those with commercial or other non-residential uses at grade and purpose-built rental housing above; however, where a development includes both affordable and market-rate units, the grant will be prorated and applied solely to the affordable unit component, and will not apply to market-rate units.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- You are the registered property owner and/or development of the subject property;

- Your property is serviced and located within an Urban Area of the Municipality of Clarington; and
- Your proposed development is a purpose-built rental building that includes Affordable rental units.

Financial Incentive:

This program (TIEG – Affordable Purpose-Built Housing Stream) shall provide up to 80% of the municipal property tax increment generated by an eligible development for a maximum term of 10 years, or until the approved Eligible Costs are fully recovered, whichever occurs first. TIEG assistance applies exclusively to Affordable Purpose-Built Rental units. Market-rate purpose-built rental units are not eligible for funding.

The examples below (illustrative only) show how the grant is prorated to affordable units and then the TIEG rate is applied.

- **Example 1: 100% Affordable Units**
 - If all units in a building are Affordable units (20 of 20 units): Municipal tax increment in Year 1 = \$50,000.
 - TIEG rate (80%): $\$50,000 \times 80\% = \$40,000$ Year 1 grant (subject to the program’s eligible cost limit and other conditions).
- **Example 2: Mix of Affordable and Market Rate Units**
 - If the building contains a mix of Affordable and market-rate units (8 of 20 units Affordable): Affordable share = $8 \div 20 = 40\%$.
 - Prorated tax increment: $\$50,000 \times 40\% = \$20,000$ eligible tax increment.
 - TIEG rate: $\$20,000 \times 80\% = \$16,000$ Year 1 grant (subject to the program’s eligible cost limit and other conditions).

Additional Considerations:

- Funding is limited to one grant per property, regardless of whether development is phased.
- Eligible applicants are required to enter into a binding legal agreement with the Municipality of Clarington as a condition of receiving incentives for providing Affordable rental housing, as detailed in Section 3.3.
- For mixed-use development, tax assistance is limited to the residential portion that is determined to be Affordable in nature only. The non-residential and market rate residential portions are not eligible for this TIEG stream.
- If the number of Affordable units changes over the grant period, the annual grant amount would be recalculated based on the affordable share in that year, using the same prorating approach.

- Property taxes must be paid when due. Reimbursements will be issued to approved applicants (up to the maximum amount available based on the approved annual budget) once all required agreements have been executed and the Municipality has received proof of substantial occupancy and proof that the units meet the program’s affordability requirements.
- Only the eligible municipal property tax increment is reimbursable under this program; all other taxes, levies, fees, and charges are not eligible for reimbursement.

4.3 Employment Lands

Programs 8 and 9 of this CIP are intended to support the expansion of existing industrial businesses on existing properties, as well as major investment associated with the development of the Municipality’s target industry sectors: nuclear energy and related engineering, technical, and environmental sectors. The programs are:

- Program 8: Development Charges (DC) Grant – Business Expansion
- Program 9: Tax Increment Equivalent Grant (TIEG) – Major New Investment

Program 8: Development Charges (DC) Grant – Business Expansion

Program Purpose:

To provide assistance for the expansion of existing buildings or development of new buildings on existing property by further reducing the cost of development related to Development Charges (DCs) for existing business that wish to expand.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is within the Municipality of Clarington and designated as General Industrial or Light Industrial;
- You are actively seeking the expansion of existing industrial buildings (where the proposed expansion is more than 50 percent of existing gross floor area) and/or development of new buildings on an existing property; and
- Your proposed development is a permitted employment use and assessed by MPAC as “Industrial” (per pre-assessment with MPAC).

Financial Incentive:

For Eligible Properties (General and Light Industrial), the grant is equivalent to a maximum of 25% of Development Charges levied by the Municipality or a maximum of \$50,000 whichever is less.

Additional Considerations:

- This grant is intended to offset all or a portion of DCs associated with eligible industrial expansions that exceed the legislated exemptions.
- The program is not applicable to development that is fully exempt from Development Charges under the Development Charge By-law.

Program 9: Tax Increment Equivalent Grant (TIEG) – Major New Investment

Program Purpose:

To leverage increased property tax assessments and help offset the financial costs of new development, a Tax Increment Equivalent Grant (TIEG) may be provided where a property's assessed value increases as a result of the creation of major new investment in a target sector.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is within the Municipality of Clarington and designated as Prestige Employment land;
- Your proposed development is in one of the Municipality's target sectors; and
- Your proposed development is at least 3,700 sq. m in size.

Financial Incentive:

This program (TIEG – Major New Investment) shall provide up to 50% of the municipal property tax increment generated by an eligible development for a maximum term of 5 years, or up to \$1,000,000, whichever occurs first.

This program is structured as a staircase approach to funding as follows:

Year 1: grant equal to 50% of the municipal tax increment

Year 2: 40%

Year 3: 30%

Year 4: 20%

Year 5: 10%

Additional Considerations:

- Funding is limited to one grant per property, regardless of whether development is phased.
- Property taxes must be paid when due. Reimbursements will be issued to approved applicants (up to the maximum amount available based on the approved annual budget) once all required agreements have been executed and the Municipality has received proof of substantial occupancy.

4.4 On-Farm Diversification

Programs 10 through 12 of this CIP are intended to support on-farm diversified uses and encourage private sector property owners and tenants to implement aesthetic improvements to their property. Incentives offered under this program sector are limited to those on-farm diversified uses that are publicly visible and accessible, specifically agri-tourism uses and uses that produce value-added agricultural products. Home occupations, home industries, and electricity generation/transmission and energy storage systems are not eligible for grants under this CIP. The programs are:

- Program 10: Agricultural Signage Improvement Grant
- Program 11: Agricultural Building Renovation Grant
- Program 12: Municipal Fees Grant – Agricultural Stream

Program 10: Agricultural Signage Improvement Grant

Program Purpose:

To assist with the design and placement of on-site signage for On-Farm Diversified Uses, (e.g., wayfinding signage/welcome signs for agri-tourism uses, etc.).

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within the Municipality of Clarington and designated as Prime Agricultural Area or Rural Area;
- Your proposed signage is for an eligible On-Farm Diversified Uses as determined by the Municipality per the Official Plan, or reference to equivalent;
- Your property contains an existing building or use that is publicly visible and accessible, where such visibility and accessibility support the function of the proposed signage;

- The proposed signage complies with all applicable municipal by-laws, standards, and approval requirements, including any signage, zoning, or design-related requirements, as may be in force from time to time; and
- You are the registered owner of the property, or a tenant with written consent of the property owner to undertake the proposed signage improvements.

Financial Incentive:

This grant provides cost matching of up to 50% up to a maximum of \$4,000 per property. The minimum amount of the grant is \$1,000 per property.

Additional Considerations:

- This can include improvement of existing signage or the development of new signage attached to a main building or a ground mounted sign.

Program 11: Agricultural Building Renovation Grant

Program Purpose:

This grant is intended to leverage private sector investment in internal and external building renovations and improvements associated with existing agricultural buildings used, or proposed to be used, for eligible On-Farm Diversified Uses. Eligible works may include the re-purposing of agricultural buildings for value-added agricultural uses, building, fire and other code compliance upgrades, including public occupancy load-related building enhancements, expansions or additions, and general retrofitting necessary to support the intended use.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within the Municipality of Clarington and designated as Prime Agricultural Area or Rural Area;
- You are the registered property owner or tenant (with written consent of the property owner) of lands containing existing agricultural buildings that are used, or proposed to be used, for eligible On-Farm Diversified Uses.
- Your proposed project is for On-Farm Diversified Uses as determined by the Municipality per the Official Plan, or reference to equivalent; and
- Your proposed project includes a publicly visible and accessible building intended for public occupancy, per the Building Code.

Financial Incentive:

This grant provides cost matching of up to 50% up to a maximum of \$20,000 per property. The minimum amount of the grant is \$10,000 per property.

Additional Considerations:

- This program is not applicable to new buildings or major floorspace additions to existing buildings.
- Projects must improve the long-term functionality of the building. Projects for general tenant fit-up of space and typical lifecycle related building system replacements (e.g., roof replacement) are not eligible.

Program 12: Municipal Fees Grant – Agricultural Stream

Program Purpose:

This program offers property owners proposing eligible On-Farm Diversified Uses a grant to offset applicable site plan control and building permit fees. In combination with other program supports, the grant is intended to help reduce upfront regulatory costs and encourage investment in agricultural diversification projects.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within the Municipality of Clarington and designated as Prime Agricultural Area or Rural Area;
- You are the registered property owner or tenant (with written consent of the property owner) of lands containing existing agricultural buildings that are used, or proposed to be used, for eligible On-Farm Diversified Uses.
- Your proposed project is for On-Farm Diversified Uses as determined by the Municipality per the Official Plan, or reference to equivalent; and
- Your proposed project includes a publicly visible and accessible building intended for public occupancy, per the Building Code.

Financial Incentive:

Grants will be applied as follows:

- Site Plan Control Fee Grant up to a maximum of \$3,000 per property or the cost of the combined eligible planning fees, whichever is less.
- Building Permit Fee Grant up to a maximum of \$5,000 per property or the cost of the combined eligible building permit fees, whichever is less.

Additional Considerations:

- Fees are to be paid in advance and are to be reimbursed upon successful completion and approval of an application.

- Applicable to site plan control fees being in full force and effect at the time of application; and building permit fees as applicable to any development pursuant to the Building Code Act.
- Fees associated with any other municipal processes, or outside agencies are not subject to the grant.

4.5 Brownfields

Programs 13 and 14 of this CIP are intended to support the remediation and redevelopment of brownfield properties and encourage private sector property owners to reinvest in and improve underutilized or contaminated lands. These programs are designed to reduce financial barriers associated with environmental investigation and cleanup, and to facilitate the long-term productive re-use of brownfield lands. The programs are:

- Program 13: Environmental Site Assessment (ESA) Grant
- Program 14: Tax Increment Equivalent Grant (TIEG) - Brownfields Stream

Program 13: Environmental Site Assessment (ESA) Grant

Program Purpose:

To facilitate and support redevelopment and renovation of brownfield sites within the Municipality of Clarington. Brownfield sites requiring a Phase Two ESA are eligible to receive a grant for costs associated with that Phase Two ESA and the development of a Remediation Action Plan.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within the Municipality of Clarington;
- You are a registered landowner and/or developer of a Brownfield property that requires a Phase Two ESA study; and
- You are able to provide a Phase One ESA for the site conducted by a Qualified Person indicating a requirement for a Phase Two ESA.

Financial Incentive:

This program shall provide up to \$20,000 per study or 50% of the cost of the Phase Two ESA, whichever is less. There is a maximum eligibility of two studies per property totaling up to \$35,000 in grants.

Additional Considerations:

- All study fees are to be paid to the qualified consultant by the proponent. In order to receive the grant(s), the proponent must submit the relevant invoices to the Municipality along with a full copy (in pdf form) of the Phase Two ESA and any supporting supplementary reports.
- Based on the principle of achieving maximum leverage of non-Municipality funds, applicants who identify other sources of financial assistance for environmental site assessments will be given preference in the allocation of funds. Total combined assistance toward the costs of environmental site assessment from all public sources will not exceed 50% of total costs. Municipality funding will be the funding of last resort, where other sources of public assistance exist.

Program 14: Tax Increment Equivalent Grant (TIEG) - Brownfields Stream

Program Purpose:

To leverage increased property tax assessments and help offset the financial costs of new development on a Brownfield property, a Tax Increment Equivalent Grant (TIEG) may be provided where a property's assessed value increases as a result of (re)development.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;
- Your property is located within the Municipality of Clarington;
- You are a registered landowner and/or developer of a Brownfield property;
- Your site is comprised of privately-owned lands proposed for (re)development;
- You have completed a Phase Two ESA for the site; and
- There is a demonstrated need for remediation, defined as a site with a Phase Two ESA which indicates that site conditions do not meet standards (under the *Environmental Protection Act*) to permit filing of a Record of Site Condition.

Financial Incentive:

This program (TIEG – Brownfields Stream) shall provide up to 80% of the municipal property tax increment generated by an eligible development for a maximum term of 10 years, or until the approved Eligible Costs are fully recovered, whichever occurs first.

This program is structured as a staircase approach to funding as follows:

Year 1 and 2: grant equal to 80% of the municipal tax increment

Year 3 and 4: 65%

Year 5 and 6: 50%

Year 7 and 8: 35%

Year 9 and 10: 20%

Additional Considerations:

- Funding is limited to one grant per property, regardless of whether development is phased.
- The landowner/developer pays for the full cost of remediation and rehabilitation as well as the resulting annual increase in property tax, which is then provided back to the applicant by way of the approved grant, in accordance with the approved application and corresponding legal agreement.
- The grant is assignable by the owner of the property to another party (subsequent owner, tenant or other assignment) at any time during the period of the agreement. Should the original owner transfer its interest in the property, the grant can, with the agreement of the municipality, continue to be assigned to the original owner for the duration of the grant period.
- The maximum amount of the grant in any year is limited to the value of the work undertaken under eligible costs in that year or the increase in municipal property tax on the property compared to the base (before redevelopment) property tax, whichever is less. Eligible costs not reimbursed in the year they are incurred can be rolled over to subsequent years.
- All land uses are eligible. The need for remediation must be demonstrated through an Environmental Site Assessment, any required Risk Assessment, and a remediation plan that meets the *Environmental Protection Act* and its regulations.

4.6 Conference/Banquet Facilities

Program 15 of this CIP is intended to encourage private sector developers and property owners in the development of a conference/banquet facility associated with a hotel in an appropriate location (as determined by the Municipality).

Program 15: Tax Increment Equivalent Grant (TIEG) –Conference/Banquet Facility Stream

Program Purpose:

To leverage increased property tax assessments and help offset the financial costs of new development, a Tax Increment Equivalent Grant (TIEG) may be provided where a property’s assessed value increases as a result of the creation of a conference/banquet facility.

Eligibility:

- You meet the general eligibility criteria set out in Section 3.1 of this CIP;

- Your property is serviced and located within the Municipality of Clarington; and
- Your proposed development includes a conference/banquet facility that is in the range of 370 sq. m/4,000 sq. ft., associated with a hotel.

Financial Incentive:

This program (TIEG –Conference/Banquet Facility Stream) shall provide up to 50% of the municipal property tax increment generated by an eligible development for a maximum term of 5 years, or up to the total eligible costs, whichever occurs first.

This program is structured as a staircase approach to funding as follows:

Year 1: grant equal to 50% of the municipal tax increment

Year 2: 40%

Year 3: 30%

Year 4: 20%

Year 5: 10%

Additional Considerations:

- Funding is limited to one grant per property, regardless of whether development is phased.
- Tax assistance is limited to the conference/banquet facility portion of the development only. The hotel or other non-conference/banquet facility portions are not eligible for this TIEG stream.
- Property taxes must be paid when due. Reimbursements will be issued to approved applicants (up to the maximum amount available based on the approved annual budget) once all required agreements have been executed and the Municipality has received proof of substantial occupancy.
- Only the eligible municipal property tax increment is reimbursable under this program; all other taxes, levies, fees, and charges are not eligible for reimbursement.

5 HOW TO APPLY

5.1 Step-By-Step Application Process

The intake and approval process for the Municipality of Clarington CIP generally includes the following steps: pre-application consultation, pre-screening to confirm basic eligibility, submission of a complete application, review of the complete application, approval, and payment. Each step is outlined below.

Step 1: Pre-Application Consultation

Prospective applicants may identify their proposed project by submitting an online request through the Municipality of Clarington's website outlining the nature of the proposal.

Before preparing a complete application, the applicant will meet with Municipal staff to discuss the proposed work, program requirements, and eligibility. Applicants are expected to meet the submission requirements set out in the applicable forms. If a project is not eligible, the Municipality of Clarington will advise the applicant in writing.

Step 2: Submit Application

Applicants must submit a complete application, including the required application form, all supporting documentation, and any additional information requested by Municipal staff. The Municipality of Clarington will confirm whether the application is considered complete.

Step 3: Review of Complete Application

Complete applications will be reviewed by the Municipality to confirm compliance with the objectives of this CIP, applicable by-laws and policies, and any required property, building, or permitting standards.

Step 4: Approval

Approval requirements will vary by program. Some programs involve reimbursement or grant payments, while others provide tax increment-based support. Where required, applicants may be asked to enter into a formal agreement with the Municipality of Clarington. Conditional approvals will be provided in writing and will outline any requirements that must be satisfied before funding is finalized. For programs involving tax increment support or development charge-related assistance, approval may be granted in principle until all applicable development conditions have been met.

Step 5: Payment

The timing of any works undertaken as part of the application is the responsibility of the applicant. Funding will be disbursed in accordance with the terms of the applicable incentive program.

5.2 Timing and Intake Considerations

Applications for incentive programs under this CIP will be accepted by the Municipality of Clarington on an ongoing, first-come, first-served basis. This approach is intended to avoid delaying planned investments due to fixed intake deadlines and allows applicants to submit proposals as they are ready. To be considered, applications must be complete and include all required information. Incomplete applications will be returned for revision and resubmission. The Municipality of Clarington reserves the right to reject applications that continue to be incomplete or do not satisfy the submission requirements.

5.3 Stacking and Combining CIP Programs

Stacking of CIP incentives with other public funding sources may be permitted under the Municipality of Clarington CIP, provided that the total combined funding does not exceed the Eligible Costs for the applicable project component. Applicants must disclose all other sources of funding as part of the application process and demonstrate that the combined assistance remains within this limit.

Where more than one funding source applies to the same eligible cost, the Municipality reserves the right to reduce, amend, or withhold CIP assistance to avoid duplication of funding.

To support consistent program administration, the following matrix identifies combinations of incentive programs that are not permitted. Applicants should review this matrix in conjunction with the eligibility requirements and program-specific conditions set out in this CIP.

Program Combination	Restriction
Program 2 and 3	Not permitted for the same project. Program 2 is intended for stand-alone accessibility improvements, whereas accessibility-related works that form part of a broader building renovation are to be considered under Program 3.
Any two TIEG programs	Not permitted. Only one TIEG stream may apply to a given property or development proposal, as determined by the Municipality. Where more than one TIEG stream could potentially apply, the Municipality may determine the most appropriate stream having regard to the level of assistance that may be available. For greater clarity, all grant amounts under any TIEG program are maximums only. The Municipality, at its sole discretion, may approve funding in an amount less than the stated maximum, and no applicant is guaranteed funding at the maximum level.

6 REVIEW AND APPROVAL PROCESS

6.1 Discretion in Assistance

In administering this CIP, the Municipality of Clarington retains sole discretion in determining which incentive program or programs may apply to a proposed project and the amount of assistance that may be provided. Applicants are not automatically entitled to all available programs and may not select programs at their own discretion. Instead, Municipal staff will review each application and determine the most appropriate form of assistance based on the details of the proposed project and its alignment with the objectives of this CIP. This approach helps ensure that incentives are applied in a manner that supports the intent of the CIP, the Municipality's broader economic development objectives, and the principles of fairness, consistency, and transparency in program delivery.

6.2 Approval Authority

Approval authority under this CIP shall be determined by the Municipality of Clarington in accordance with the value and complexity of the proposed incentive, as well as any applicable municipal by-laws, policies, and delegated authority framework.

Depending on the program, approvals may be granted by Council, a delegated municipal official, or such other authority as may be established by the Municipality from time to time. Where required, approval may also be conditional upon the execution of a formal agreement and the satisfaction of all applicable program requirements, financial conditions, and development approvals.

6.3 Changes to Approved Projects

Any proposed change to an approved project shall require review by the Municipality of Clarington to determine whether the change remains consistent with the intent, eligibility requirements, and approval conditions of the applicable CIP program. Applicants must notify the Municipality in writing of any proposed change to the scope of work, project design, ownership, timing, financing, or other material aspect of the approved application before the change is implemented. The Municipality reserves the right to revise, suspend, or cancel an approval where a proposed change alters the basis on which the original approval was granted, affects program eligibility, or results in non-compliance with the requirements of this CIP or any associated agreement.

APPENDIX A: LEGISLATIVE AND POLICY FRAMEWORK

Planning Act

Municipalities with community improvement policies in their official plans have the authority under Section 28 of the Ontario Planning Act to designate a Community Improvement Project Area, hereafter referred to as CIPA, and to prepare and adopt a Community Improvement Plan (CIP).

“Community improvement” refers to “the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities, or spaces therefor, as may be appropriate or necessary.”

Local or upper-tier municipalities with community improvement policies in their official plans have the authority under Section 28 of the Planning Act to designate a Community Improvement Project Area (CIPA), and to prepare and adopt a Community Improvement Plan (CIP). As stated in Section 28 (2) “the council may, by by-law, designate the whole or any part of an area covered by such an official plan as a community improvement project area.”

Under Section 28(6) of the Planning Act, municipalities through the implementation of the CIP have the authority to:

- (a) construct, repair, rehabilitate or improve buildings on land acquired or held by it in the community improvement project area in conformity with the community improvement plan, and sell, lease or otherwise dispose of any such buildings and the land appurtenant thereto;
- (b) sell, lease or otherwise dispose of any land acquired or held by it in the community improvement project area to any person or governmental authority for use in conformity with the community improvement plan. In implementing the CIP, municipalities may also provide “grants or loans, in conformity with the community improvement plan, to registered owners, assessed owners and tenants of lands and buildings within the community improvement project area (Planning Act, Section 28(7)).” Eligible costs include those “related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision

of energy efficient uses, buildings, structures, works, improvements or facilities (Planning Act, Section 28(7.1)).”

Section 28(7.3) specifies that the maximum amount of financial incentives (including tax assistance) that is provided in respect of the lands and buildings shall not exceed the eligible cost of the CIP with respect to those lands and buildings.

Section 28 (1.1) Affordable Housing specifically identifies the provision of affordable housing as part of community improvement.

Municipal Act

The following sections of the Ontario *Municipal Act, 2001* are relevant to the implementation of community improvement plans:

- Section 106(1) prohibits municipalities from engaging in bonusing (the practice of providing direct or indirect assistance to manufacturing, industrial or commercial businesses through the use of financial incentives). However, a municipality exercising its authority to implement a community improvement plan under Section 28 of the Planning Act is exempt from this section (Municipal Act, Section 106(3)).
- Section 365.2 permits local municipalities, despite the prohibition set out in Section 106, to provide tax reductions or refunds with respect to eligible heritage properties.

Provincial Planning Statement (2024)

The Provincial Planning Statement (PPS) 2024 establishes policy direction on matters of provincial interest related to land use planning and development. This Community Improvement Plan (CIP) is consistent with the applicable provisions of the PPS and supports its objectives through the following policies:

Complete Communities (Section 2.1.6)

Planning authorities should support the achievement of complete communities by:

- (a) Accommodating an appropriate range and mix of land uses, housing options, transportation options with multimodal access, employment, public service facilities, and other institutional uses (including schools and associated child care facilities, long-term care facilities, places of worship and cemeteries), recreation, parks and open space, and other uses to meet long-term needs.
- (b) Improving accessibility for people of all ages and abilities by addressing land use barriers that restrict full participation in society.
- (c) Enhancing social equity and overall quality of life for people of all ages, abilities, and incomes, including equity-deserving groups.

Housing (Section 2.2.1)

Planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected needs of current and future residents by:

- (a) Establishing and implementing minimum targets for affordable housing for low- and moderate-income households, and coordinating land use planning with Service Managers to address the full range of housing options.
- (b) Permitting and facilitating:
 - 1. All housing options required to meet social, health, economic, and well-being requirements of current and future residents, including additional needs housing and needs arising from demographic changes and employment opportunities.
 - 2. All types of residential intensification, including redevelopment of underutilized commercial and institutional sites (e.g., shopping malls and plazas) for residential use, introducing new housing options within previously developed areas, and redevelopment resulting in a net increase in residential units in accordance with policy 2.3.1.3.
- (c) Promoting densities for new housing that efficiently use land, resources, infrastructure, and public service facilities, and support active transportation.

Intensification and Redevelopment (Section 2.3.1.3)

Planning authorities shall support general intensification and redevelopment to achieve complete communities, including planning for a range and mix of housing options and prioritizing investment in necessary infrastructure and public service facilities.

Strategic Growth Areas (Section 2.4.1.2)

To support complete communities, strategic growth areas should be planned to:

- (a) Accommodate significant population and employment growth.
- (b) Serve as focal areas for education, commercial, recreational, and cultural uses.
- (c) Support the transit network and provide connection points for inter- and intra-regional transit.
- (d) Support affordable, accessible, and equitable housing.

Heritage Conservation (Section 4.6.1)

Protected heritage property, which may contain built heritage resources or cultural heritage landscapes, shall be conserved.

Brownfield Redevelopment and Intensification

The PPS identifies the redevelopment and intensification of brownfield sites as an important element in achieving efficient land use patterns and creating strong communities. This includes:

- Residential intensification, including redevelopment of underutilized commercial and institutional sites for residential use, and introducing new housing options within previously developed areas (Section 2.2).
- Settlement areas as the focus of growth and development, with land use patterns that efficiently use land and resources, optimize infrastructure, and support active transportation (Section 2.3.1).
- Strategic growth areas that accommodate significant population and employment growth, support transit networks, and encourage mixed-use development (Section 2.4.1).
- Regeneration in rural areas, including the redevelopment of brownfield sites to maintain healthy, integrated, and viable rural communities (Section 2.5).

Employment Areas (Section 2.8.2)

PPS section 2.8.2 directs municipalities to protect employment areas and ensure necessary infrastructure, including access to major goods movement facilities and corridors.

Section 2.8.2.3 prohibits residential uses, commercial uses, and institutional uses (including public service facilities) within employment areas and retail and office uses, except for those associated with the primary employment use.

Additionally, Section 2.8.1 directs the development of major office and major institutional development to major transit areas or other strategic growth areas.

APPENDIX B: DOWNTOWN COMMERCIAL PROGRAM GUIDE

Program 1: Façade and Signage Improvement Grant

Rationale and Objective(s)

This is an “all-Inclusive” grant intended to support comprehensive exterior improvements to publicly accessible commercial properties in the Municipality of Clarington.

The grant is designed to promote façade improvements and to encourage private sector property owners and/or tenants to implement aesthetic improvements to their property(ies) that otherwise may not occur due to cost-related issues.

Under the Façade & Signage Improvement Grant Program, matching grants may be offered to eligible property owners or tenants for building front (primary façade), and where applicable, side and rear exterior improvements (secondary façade). Additional funds may be available for qualifying side and/or rear façade improvements.

Eligibility for side and rear façade assistance is at the complete discretion of Municipal staff, but at a minimum these areas must be publicly accessible (such as with premises accessed from rear publicly-owned parking lots in the downtowns or corner lots with highly visible side façades).

Grant also includes provision for exterior signage improvements, walkway signage between buildings and rear access signage enhancements.

Benefits

- Grant supports the enhanced aesthetic appeal of downtown and commercial areas within the Downtown Priority Areas through façade and signage improvements. Associated public realm improvements, infill development and interior building improvements available under other programs can assist in overall vibrancy, visitation, economic impacts and assessment growth.
- Potential to leverage private sector investment in modest building façade improvements which have a direct benefit to the architectural quality of the street.
- Façade improvements have the capacity to self-advertise the benefits of renewed investment in real property.

Target Group

Registered property owners or commercial tenants (with written consent of the owner), with an emphasis on commercial retail, office, and mixed-use properties within certain designations of the Downtown Priority Areas.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP.
- The applicant is the registered property owner or tenant (with written consent of the property owner), of an existing commercial or mixed-use (commercial-at-grade) properties.
- The subject property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan;
- The proposed design conforms to the Municipality of Clarington's Downtown Design Guidelines.
- Eligible projects may include former residential buildings now used, in part or in whole, for commercial/office use (that is, commercial/office at-grade).

Program Specifics and Limitations

Applicants may apply for one or more of the following grants to cover eligible renovation costs and may receive all four grants if they meet the program criteria:

Grant A Façade Improvements:

- Primary Façade Only: Matching grant of up to 50% of eligible costs or a maximum grant of \$10,000 per property, whichever is less for primary façades.
- Primary and Secondary Façade: Matching grant of up to 50% of eligible improvement costs or a maximum grant of \$15,000 per property, whichever is less for façade improvement projects involving more than one façade (primary and secondary façades). This is limited to:
 - buildings located on corner lots (that is, properties with frontage on two municipal streets); or
 - Buildings with rear or side elevations which face onto a public park, other public gathering space such as a public square, or a public parking lot.
- The minimum grant is \$2,500 per property. Project applications including matching assistance of less than \$2,500 will not be considered.
- Only one successful application per property is permitted during the life of the plan (5 years) received from either the property owner or the tenant (with written consent of the property owner) (or a joint application by both).

Grant B Heritage Façade Top-Up:

- Where applicants are applying for Grant A Façade Improvements and their property is a heritage property designated under Part IV of the Ontario Heritage Act (OHA) and included on the municipal heritage register, the Municipality may, at its sole discretion, provide up to an additional \$5,000 to address heritage-related requirements as part of the work.
- Only one successful application per property is permitted during the life of the plan (5 years) received from either the property owner or the tenant (with written consent of the property owner) (or a joint application by both).

Grant C Signage Improvements:

- Matching grant of up to 50% of eligible costs or a maximum of \$4,000 per property, whichever is less.
- The minimum grant is \$1,000 per property. Project applications including matching assistance of less than \$1,000 will not be considered.
- Only one successful application per property is permitted during the life of the plan (5 years) received from either the property owner or the tenant (with written consent of the property owner) (or a joint application by both).

Grant D Graffiti Remediation:

- Up to a maximum of \$500 per property for the remediation of graffiti on a commercial building's exterior that is visible to the public.
- Only one successful application per property is permitted during the life of the plan (5 years) received from either the property owner or the tenant (with written consent of the property owner) (or a joint application by both).

Eligible Costs

Examples of Eligible Costs (non-exhaustive) include:

Grant A Façade Improvements and Grant B Heritage Façade Top-Up (where applicable):

- Enhancement, replacement and rehabilitation of doors, windows, and façades.
- Energy efficient window replacements which maintain aesthetic quality of the façade as intended by this program.
- Restoration of existing façade and surfaces (cleaning, wood, tuck pointing). Includes repair or restoration of original features or an approved facsimile (cornices, parapets, eaves, other architectural features).
- Removal of non-original siding or facing.

- Repair or restoration of authentic historic storefront treatment.
- Painting in original or period colours.
- Exterior lighting improvements.
- Installation of appropriate awnings.
- Renovation of existing storefronts in accordance with Municipality's Downtown Design Guidelines.
- Improvements to the principal façades of incompatible buildings being sympathetic and compatible with the historic character of the area.
- Re-cladding in more traditional materials complementary to the architectural vernacular.
- Eligible costs include fees associated with the services of a professional architect, engineer, planner, heritage consultant, or other building specialist necessary to fully implement plans for building improvement.
- While many of the cost eligibilities noted above will apply to Heritage Properties, alterations to these properties are subject to the provisions of the Ontario Heritage Act.

Grant C Signage Improvements:

- Removal and disposal of existing or inappropriate signage, including oversized, internally illuminated box signs, or signage not compliant with Downtown Design Guidelines.
- Repair and restoration of building surfaces impacted by removed signage (e.g., patching, repainting, masonry repair).
- Fees for graphic designers, sign designers, architects, heritage consultants, or other qualified professionals required to prepare compliant signage designs.
- Design, fabrication, and installation of new signage that complies with the Municipality's Downtown Design Guidelines.

Grant D Graffiti Remediation:

- Removal and cleaning of graffiti from exterior building surfaces, including brick, stone, concrete, metal, glass, and painted finishes.
- Surface restoration following graffiti removal, including repainting, refinishing, or re-coating to return surfaces to their original condition.
- Application of protective coatings (e.g., anti-graffiti sealants) to prevent or reduce future damage.

- Minor repair of building materials damaged through vandalism or removal processes (e.g., masonry repair, surface patching).
- Labour, equipment, and materials required for graffiti removal and surface restoration.
- Professional cleaning services where specialized techniques or materials are required for effective and non-damaging removal.

Approval Process

- The General Application Process outlined in the CIP applies.
- Professional quotes from multiple licensed contractors (minimum 2) operating at arm's length from the applicant will be required.
- Applicants who identify other sources of financial assistance for exterior building renovations, which result in a higher level of private investment than would have otherwise occurred, will be given preference in the allocation of funds.
- Applications that can demonstrate significant improvements to external appearance of properties, and/or definable improvements that maximize leverage (greater than 50%) will be prioritized.
- Façade & Signage Improvement Grants will be disbursed as follows: 100% on satisfactory completion as determined by the Municipality.

Other Restrictions

- The Municipality reserves the right to determine whether proposed works constitute eligible improvements versus general maintenance.

Program 2: Commercial Accessibility Improvement Grant

Rationale & Objective(s)

Designed as a small capital alternative to the Building Renovation Grant Program, the Commercial Accessibility Improvement Grant assists property owners with the financing of improvements required to bring older buildings into greater compliance with accessibility standards.

The Accessibility Improvement Grant promotes improved accessibility to existing commercial buildings within the Downtown Priority Areas. Proposed accessibility improvements must adhere to the Clarington Accessibility Design Standards (CADS) to be approved.

Benefits

- Encourages private investment in accessibility improvements to commercial buildings.
- Helps reduce financial barriers to undertaking accessibility upgrades.
- Supports broader accessibility objectives across the Municipality.
- Contributes to a more inclusive and accessible built environment.

Target Group

Registered property owners and commercial tenants (with written consent of the property owner), within the Downtown Priority Areas who are seeking to undertake small-scale improvements to enhance accessibility to the building or commercial premises.

Program Specifics and Limitations

Matching grant of up to 50% of eligible costs or a maximum grant of \$10,000 per property, whichever is less. The minimum grant amount is \$2,500 per property.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP.
- The applicant is the registered property owner or tenant (with written consent of the property owner), of an existing commercial or mixed-use (commercial-at-grade) properties.
- The subject property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan;
- The proposed design conforms to the Clarington Accessibility Design Standards (CADS).
- Eligible projects may include former residential buildings now used, in part or in whole, for commercial/office use (that is, commercial/office at-grade).

Eligible Costs

Examples of Eligible Costs (non-exhaustive):

- Installation of hand railings on steps;
- Elimination of steps and/or provision of a ramp;
- Widening of doorways and thresholds to accommodate accessibility devices;
- Installation of automatic door openers;
- Changing doorknobs to levers; and

- Washroom renovations (i.e. grab bars, raised toilets) that are not part of a larger building renovation.

Approval Process

- The General Application Process outlined in the CIP applies.
- Professional quotes from multiple licensed contractors (minimum 2) operating at arm's length from the applicant will be required.
- Applicants who identify other sources of financial assistance for exterior building renovations, which result in a higher level of private investment than would have otherwise occurred, will be given preference in the allocation of funds.
- The Building Accessibility Improvement Grant will be disbursed as 100% on completion of the project to the satisfaction of the Municipality.

Other Restrictions

- Only those costs associated with accessibility improvements to the commercial portion of the building are eligible for this grant.
- Exterior improvements must not adversely affect the building's façade or the surrounding streetscape.

Program 3: Commercial Building Renovation Grant

Rationale and Objective(s)

The Commercial Building Renovation Grant intends to promote functional improvements and upgrades to an older building stock. Improvements may include building restoration, renovation, interior improvement or structural upgrades of existing commercial and mixed-use buildings in downtown commercial areas. This program includes the conversion of upper floor space to residential and/or office use (where permitted).

Property improvements can include any identified and eligible improvements to the building interior, its structure, building systems, and major internal fit-up. Project works must contribute to the significant improvement of the long-term functionality of the building. General tenant fit-up and end-of-life system replacements etc. will not be supported.

Benefits

- Leverages private sector investment in interior building renovations and improvements.
- Helps address the costs of building works in older commercial and mixed-use buildings.

- Supports improvements to energy efficiency and accessibility as part of a broader renovation project.

Target Group

Private sector property owners or tenants, with the written consent of the property owner, of existing commercial and mixed-use buildings (commercial/retail/office at-grade) within the Downtown Priority Areas who are seeking to undertake improvements to the building, subject to the applicable land use designation.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP.
- The applicant is the registered property owner or tenant (with written consent of the property owner), of an existing commercial or mixed-use (commercial-at-grade) properties.
- The subject property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan;
- The proposed design conforms to the Municipality of Clarington's Downtown Design Guidelines.
- The proposed design conforms to the Clarington Accessibility Design Standards (CADS).
- Eligible projects may include former residential buildings now used, in part or in whole, for commercial/office use (that is, commercial/office at-grade).

Program Specifics and Limitations

- Matching grant of up to 50% of eligible costs or a maximum grant of \$20,000 per property, whichever is less. The minimum grant amount is \$10,000 per property.

Eligible Costs

Eligible Costs for funding as part of this grant include but are not limited to:

- Building works:
 - Building, fire and other code compliance upgrades;
 - Expansion/additions/conversions for office and/or retail;
 - Retrofitting space for residential use (upper floors);
 - Structural repairs and building system upgrades, including electrical, mechanical, HVAC, plumbing, and related systems, where such works form part of a broader eligible renovation project;

- Improving accessibility (as part of a larger renovation); and
- Improving energy efficiency.

Specifically excluded are the following categories of works:

- Exterior building improvements (facade and signage);
- Roof replacement where not part of a structural/architectural alteration to the building;
- Development on the property but not part of the existing structure;
- External landscape, parking and site works of any kind;
- Window replacement where not part of a more comprehensive renovation;
- Furniture Fixtures and Equipment;
- Replacement of building systems or components undertaken as routine lifecycle maintenance rather than as part of a broader eligible renovation or code compliance project;
- Leasehold improvements for the benefit of a specific tenant. The purpose of the interior grant is to provide for works which improve the building regardless of specific tenant fit-up. For greater clarity, the program will not support expected lifecycle replacement of shorter-duration assets such as kitchen equipment and appliances nor will kitchen renovations typically be supported.

The program will prioritize major renovations to existing, older building stock that is found to be in need of improvement, upgrade, and modernization to better sustain these properties as income producing commercial and mixed-use buildings.

Approval Process

- The General Application Process outlined in the CIP applies.
- Professional quotes from multiple licensed contractors (minimum 2) operating at arm's length from the applicant will be required.
- Applicants are required to disclose other sources of public financial assistance for interior building renovations, which result in a lower level of private investment than would have otherwise occurred.
- Applicants will be required to enter into an agreement as to the above terms and conditions of the grant.
- The Commercial Building Renovation Grant shall be disbursed upon substantial occupancy, subject to the satisfaction of the Municipality.
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Other Restrictions

- This program is not applicable to new buildings or major floorspace additions to existing buildings.
- Conditions of approval will be established by the Municipality and may extend to any reasonable consideration to ensure the interests of the Municipality as funder are upheld. Generally, all approvals under this program will require that construction commence within 6 months of an approved building permit, and final completion within 18 months. The Municipality may at its discretion adjust these requirements based on the particular circumstances of the construction project which may necessitate approvals from other agencies and/or delays in construction which are not in the control of the applicant to overcome.
- If the completed project proves to be inconsistent with the proposed project that was approved and detailed in the application form and supporting documentation, then the Municipality has the right to delay (pending correction of the building works), withhold or cancel the disbursement of funds.

Program 4: Municipal Fees Grant – Downtown Commercial Stream

Rationale and Objective(s)

This program offers property owners with plans to develop new commercial and commercial mixed-use (commercial at grade) or renovate existing commercial buildings a grant equivalent to a reduction in applicable site plan control and building permit fees. Such a grant, in concert with other program support, help encourage new development efforts through reducing initial regulatory costs.

Benefits

- Supports the preservation and enhancement of commercial areas within the downtown cores.
- Encourages land-use intensification in Downtown Priority Areas.
- Promotes employment growth and economic activity through development, redevelopment, and revitalization.

Target Group

Private sector property owners and/or developers seeking the development/redevelopment of commercial uses or mixed-use commercial (at grade) within a Downtown Priority Area.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP.
- The applicant is the registered property owner or tenant (with written consent of the property owner), of an existing commercial or mixed-use (commercial-at-grade) properties.
- The subject property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan;
- The proposed project meets the Municipality of Clarington's Downtown Design Guidelines.
- Eligible projects may include former residential buildings now used, in part or in whole, for commercial/office use (that is, commercial/office at-grade).

Program Specifics and Limitations

- Site Plan Control Fee Grant: Up to a maximum of \$3,000 per property or the cost of the eligible site plan control fees, whichever is less.
- Building Permit Fees Grant: Up to a maximum of \$5,000 per property or the cost of the combined eligible building permit fees, whichever is less.
- The grant is limited only to those fees outlined in the applicable fee schedule of the Municipality of Clarington at the time of application and is always limited to the grant maximums available under this program.

Eligible Costs

Eligible Costs include only applicable site plan control fees and building permit fees.

Approval Process

- The General Application Process outlined in the CIP applies.
- The applicant pays all planning and development fees as required and at the times required.
- Eligible fees are reimbursed to the applicant, per the approved amount of grant once relevant approvals are in place:
- Site Plan Control Fee Grant shall be disbursed at time of planning approval;
- Building Permit Fee Grant shall be disbursed at the time of Final Completion of the works to the satisfaction of the Municipality.

Other Restrictions

- The Municipality will not provide funding for the fees if the application for planning approval in question or building permit is refused.
- During the plan period, additional applications for planning approval above and beyond the approvals subject to an initial application will be considered. Similarly, additional applications for building permit grants arising from subsequent additional works, will also be considered.

Program 5: Tax Increment Equivalent Grant (TIEG) – Downtown Commercial Stream

Rationale and Objective(s)

The Tax Increment Equivalent Grant (TIEG) program is designed to support the creation of new commercial space within the Downtown Priority Areas, by providing a grant equal to a portion of the tax increment over the existing “base” tax liability.

Benefits

- Leverages increased property tax assessment and helps reduce financial costs of property development for eligible types of development.
- The Municipality benefits by the resulting revaluation and increase in taxes liable on the property over the long term.
- Development and revitalization of Clarington’s Urban and Village Centres.

Target Group

Private sector landowners/developers who are actively seeking to develop new commercial space (standalone or as part of mixed-use) within a Downtown Priority Area. Consideration is subject to:

- (i) Approved zoning for the proposed development;
- (ii) Site plan/floor plans for rehabilitation, renovation, or (re)development;
- (iii) Estimated costs of renovation, rehabilitation or (re)development; and
- (iv) Proposed timing for development.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The applicant is the registered property owner and/or developer of the subject property;
- The subject property is located within a Downtown Priority Area and has the appropriate land use designation under the applicable Official Plan and/or Secondary Plan;
- The proposed project includes commercial uses, either in a standalone building or as part of a mixed-use development (with commercial at grade);
- The proposed design meets the Municipality of Clarington’s Downtown Design Guidelines; and
- The proposed project will result in the development of a minimum of 300 sq. m of net new commercial space.

Program Specifics and Limitations

- The maximum of the grant is 50% of the annual Municipal Portion of the tax increment over the agreed base assessment and property tax liability in Year 1 declining by 10% every year.
- The maximum duration of assistance is 5 years or the total of eligible costs, whichever occurs first.

Illustrative Annual Grant-Back Share/Amount:

Year	Grant Share	Annual Tax Increment on Municipal Portion	Grant Value Payable	Taxes Retained by Municipality
Year 1	50%	\$50,000	\$25,000	\$25,000
Year 2	40%	\$50,000	\$20,000	\$30,000
Year 3	30%	\$50,000	\$15,000	\$35,000
Year 4	20%	\$50,000	\$10,000	\$40,000
Year 5	10%	\$50,000	\$5,000	\$45,000
	Total	\$250,000	\$75,000	\$175,000

- Program eligibility is limited to those projects/proposals that will result in a minimum of 300 sq. m of net new commercial space. Under this stream, renovation of existing buildings is ineligible.
- In the case of mixed-use developments, the grant would only apply the tax increment applicable to the commercial portion of a development.

- This program applies only to the municipal portion of the tax rate and does not apply to the Regional or Education portions.
- Given the nature of the grant program as fundable only upon completion and revaluation of the property, the Municipality of Clarington may consider approval in principle, subject to the applicant satisfying all applicable development requirements and conditions imposed by the Municipality.
- Final approval is only achieved by decision of Council based on confirmation by staff report that the original intent of the approval in principle and all necessary conditions have been attained.
- The maximum amount of the grant in any year is limited to the value of the work undertaken under eligible costs in that year or the increase in municipal property tax on the property compared to the base (before redevelopment) property tax, whichever is less. Eligible costs not reimbursed in the year they are incurred can be rolled over to subsequent years.

Eligible Costs

Eligible project costs supported under this program include (but are not limited to) the following works:

- Site development and infrastructure work including demolition and disposal off-site, improvement or reconstruction of existing on-site public infrastructure (water services, sanitary and storm sewers, other).
- New Construction.
- Costs associated with the assessment of environmental conditions and the remediation of environmental contamination, and environmental protection.
- Design and engineering directly related to the design, development and commissioning of the completed building(s).
- Eligible costs exclude both construction financing and long-term debt financing principal and interest costs.
- All submitted costs will be subject to review and approval by the Municipality of Clarington.
- Final eligibility will be determined through the demonstrated success of the project through all stages of application (as required) for planning approval, building permit issuance and building code compliance, construction, occupancy, financial viability (as evidenced by the capacity of the owner to pay all required property taxes on the property) and finally revaluation by the Ontario Municipal Property Assessment Corporation (MPAC).

Approval Process

- The General Application Process outlined in the CIP applies.
- The landowner/developer pays for the full cost of development as well as the resulting annual increase in property tax.
- The Municipality reimburses the landowner for all eligible costs by way of an annual grant equivalent to a maximum of 50% of the municipal portion of the incremental property tax increase over an established “base” assessment and tax liability.
- Grant represents foregone income for the Municipality. Site redevelopment creates tax income, a portion of which is foregone under this program. At expiry of the program/agreement, 100% of the municipal property tax is retained by the Municipality.
- In determining the amount of funding up to the maximum permitted, the Municipality should be cognizant of any significant increase in annual municipal operating costs as a result of redevelopment of the property in receipt of tax assistance.
- Grant approval is required in principle prior to the commencement of construction/development. It should be noted that the Municipality may approve a level of funding that is lower than the maximum increment provided for under this program.
- The Municipality of Clarington will determine the existing “base” assessment for the property – this will normally be defined as being either at the time of approval in principle of the application for TIEG support or an alternate date as recommended by the Treasurer or designate of the Municipality of Clarington.
- Where a project is phased over several years the grant will be based on the property re-assessment and taxable status of the project in each of the interim years before final project completion. At project completion, the remaining years of the grant (as applicable) will be based on the assessed property value provided by the Municipal Property Assessment Corporation (MPAC) in each subsequent year.
- The TIEG is operationalized through a legal agreement placed on title. This agreement specifies the obligations of both the successful applicant and the Municipality, including the amount of annual grant.
- Annual verification of the grant is based on assessment and payment of taxes by property owner.
- The Commencement Date for this program (for purposes of calculating the increment) will be at the discretion of the Municipality of Clarington following discussions with the applicant based on the merits of the development project and

resulting estimates of tax increment grant created by the development project over time.

Other Restrictions

- Funding is limited to one grant per property, regardless of whether development is phased.
- The grant is assignable by the owner of the property to another party (including a subsequent owner, tenant, or other assignee) at any time during the term of the agreement. If the property is sold or otherwise transferred by the original owner, the Municipality may, in its sole discretion, permit the grant to continue to be assigned to the previous owner for the remainder of the grant period.
- The Municipality of Clarington has the right to review any and all aspects of the program, including the purpose, form, method of application, evaluation and amount of funding of the program, from time to time, or at any time, for any reason, and at the sole and absolute discretion of the Municipality;
- As necessary, the Municipality may amplify or adjust the application and approval protocols associated with this program.
- The Municipality may refuse an application if it deems project feasibility to be limited or for any other reason, at the discretion of the Municipality.

APPENDIX C: HOUSING PROGRAM GUIDE

Program 6: Additional Dwelling Unit (ARU) Grant

Rationale and Objective(s)

Council has identified increasing housing supply and supporting gentle density as key priorities. ADUs are an important tool to expand housing options and improve affordability. The ADU Grant Program is intended to provide a financial incentive to construct new ADUs throughout the Municipality of Clarington.

Because building permit fees cannot be waived under the *Building Code Act*, as they must be collected on a cost-recovery basis, the program is structured as a grant to offset building permit and related municipal fees.

Benefits

- Encourages gentle intensification and supports the creation of units that are more affordable to low- and moderate-income residents.
- Streamlines and supports the construction process by offering a simple and efficient funding approval mechanism.
- Maximizes the use of existing urban serviced lots / rural serviced lots (subject to servicing provisions).
- Provides income opportunities for homeowners through long-term rentals.

Target Group

Private sector landowners or developers who are actively seeking to develop new ADUs.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The subject property is located within the Municipality of Clarington;
- The subject property is serviced and has zoning permissions to allow for an ADU;
- The applicant has received all required agency approvals (e.g., Conservation Authority, Durham Health Department); and
- The applicant has obtained a new ADU building permit.

Program Support and Limitations

- Each eligible ADU will receive a one-time grant of \$5,000, payable upon issuance of an occupancy permit and submission of a complete grant application.

- The owner will be required to submit a signed attestation to maintain the unit as affordable, per CMHC definitions, for a period of 5 years.
- Applicants must apply for this grant program; it is not automatically issued. The program applies only to new ADUs that receive occupancy after the CIP is enacted. Owners may apply for the grant once a building permit has been issued, but funding is not released until occupancy.
- The total program funding will be capped at \$2,000,000 and provided from the Affordable Housing Contribution Fund.

Approval Process

- The General Application Process outlined in the CIP applies.
- Owners will submit a building permit application for an ADU online and pay the full permit fee. A separate online application will be available to apply for the grant.
- The Planning Department will review the grant application to confirm that:
 - Required drawings (e.g., elevations, site plan) have been submitted.
 - The owner has signed an attestation confirming the unit will remain affordable, per CMHC definitions, for five years.
 - The owner agrees that the grant will be paid only upon occupancy.
- The Planning Department will also confirm with the Tax Department that all property taxes are up to date.
- The grant will be issued to the owner once the ADU receives occupancy.

Other Restrictions

To be eligible, the grant must apply to a **new** ADU. “New” refers to a unit receiving its first building permit approval and counted as a new housing start in Clarington. This includes:

- A new unit within an existing dwelling.
- A new ADU in an accessory structure.
- A new unit in a new dwelling on a new or existing lot.

An ADU receiving an occupancy permit, where permitted by zoning regulations. As long as zoning permissions exist, the ADU is eligible. The program applies to all dwellings and lots eligible at the time of permit submission; there is no requirement related to the age of the principal dwelling or the date the lot was created.

The affordability requirement will be secured through a signed attestation only. No formal affordable housing agreement will be registered on title.

Program 7: Tax Increment Equivalent Grant (TIEG) – Affordable Rental Housing Stream

Rationale and Objective(s)

The Tax Increment Equivalent Grant (TIEG) program is designed to support the creation of new Affordable Purpose-Built Rental Housing, by providing a grant equal to a portion of the tax increment over the existing “base” tax liability.

The program may apply to residential or mixed-use developments, including those with commercial or other non-residential uses at grade and purpose-built rental housing above; however, where a development includes both affordable and market-rate units, the grant will be prorated and applied solely to the affordable unit component, and will not apply to market-rate units.

Benefits

- Leverages increased property tax assessment and help reduce financial costs of property development for eligible types of development.
- The Municipality benefits by the resulting revaluation and increase in taxes liable on the property over the long term.
- Increases the supply of Affordable Purpose-Built Rental Housing units in the Urban Areas.

Target Group

Private sector landowners/developers who are actively seeking to develop new Affordable Purpose-Built Rental units within an Urban Area. Consideration is subject to:

- (i) Approved zoning for the proposed development;
- (ii) Site plan/floor plans for rehabilitation, renovation, or (re)development;
- (iii) Estimated costs of renovation, rehabilitation or (re)development; and
- (iv) Proposed timing for development.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The applicant is the registered property owner and/or developer of the subject property;
- The subject property is located within an Urban Area and has the appropriate land use designation to enable residential development under the applicable Official Plan and/or Secondary Plan;

- The proposed design meets the Municipality of Clarington’s Downtown Design Guidelines; and
- The proposed development is a purpose-built rental building that includes Affordable rental units.

Program Specifics and Limitations

- The maximum of the grant is 80% of the annual Municipal Portion of the tax increment over the agreed base assessment and property tax liability.
- The maximum duration of assistance is 10 years or the total of eligible costs, whichever occurs first.
- Program eligibility is limited to those projects/proposals that will result in the development of net new Affordable rental units. Under this stream, renovation of existing buildings is ineligible.
- For mixed-use development, tax assistance is limited to the residential portion that is determined to be Affordable in nature only. The non-residential and market rate residential portions are not eligible for this TIEG stream.
- This program applies only to the municipal portion of the tax rate and does not apply to the Regional or Education portions.
- Given the nature of the grant program as fundable only upon completion and revaluation of the property, the Municipality of Clarington may consider approval in principle, subject to the applicant satisfying all applicable development requirements and conditions imposed by the Municipality.
- Final approval is only achieved by decision of Council based on confirmation by staff report that the original intent of the approval in principle and all necessary conditions have been attained.
- The maximum amount of the grant in any year is limited to the value of the work undertaken under eligible costs in that year or the increase in municipal property tax on the property compared to the base (before redevelopment) property tax, whichever is less. Eligible costs not reimbursed in the year they are incurred can be rolled over to subsequent years.

Eligible Costs

Eligible project costs supported under this program include (but are not limited to) the following works:

- Site development and infrastructure work including demolition and disposal off-site, improvement or reconstruction of existing on-site public infrastructure (water services, sanitary and storm sewers, other).

- New Construction.
- Costs associated with the assessment of environmental conditions and the remediation of environmental contamination, and environmental protection.
- Design and engineering directly related to the design, development and commissioning of the completed building(s).
- Eligible costs exclude both construction financing and long-term debt financing principal and interest costs.
- All submitted costs will be subject to review and approval by the Municipality of Clarington.
- Final eligibility will be determined through the demonstrated success of the project through all stages of application (as required) for planning approval, building permit issuance and building code compliance, construction, occupancy, financial viability (as evidenced by the capacity of the owner to pay all required property taxes on the property) and finally revaluation by the Ontario Municipal Property Assessment Corporation (MPAC).

Approval Process

- The General Application Process outlined in the CIP applies.
- The landowner/developer pays for the full cost of development as well as the resulting annual increase in property tax.
- The Municipality reimburses the landowner for all eligible costs by way of an annual grant equivalent to a maximum of 80% of the municipal portion of the incremental property tax increase over an established “base” assessment and tax liability.
- Grant represents foregone income for the Municipality. Site redevelopment creates tax income, a portion of which is foregone under this program. At expiry of the program/agreement, 100% of the municipal property tax is retained by the Municipality.
- In determining the amount of funding up to the maximum permitted, the Municipality should be cognizant of any significant increase in annual municipal operating costs as a result of redevelopment of the property in receipt of tax assistance.
- Grant approval is required in principle prior to the commencement of construction/development. It should be noted that the Municipality may approve a level of funding that is lower than the maximum increment provided for under this program.
- The Municipality of Clarington will determine the existing “base” assessment for the property – this will normally be defined as being either at the time of approval in

principle of the application for TIEG support or an alternate date as recommended by the Treasurer or designate of the Municipality of Clarington.

- Where a project is phased over several years the grant will be based on the property re-assessment and taxable status of the project in each of the interim years before final project completion. At project completion, the remaining years of the grant (as applicable) will be based on the assessed property value provided by the Municipal Property Assessment Corporation (MPAC) in each subsequent year.
- The TIEG is operationalized through a legal agreement placed on title. This agreement specifies the obligations of both the successful applicant and the Municipality, including the amount of annual grant.
- Annual verification of the grant is based on assessment and payment of taxes by property owner.
- The Commencement Date for this program (for purposes of calculating the increment) will be at the discretion of the Municipality of Clarington following discussions with the applicant based on the merits of the development project and resulting estimates of tax increment grant created by the development project over time.

Other Restrictions

- Funding is limited to one grant per property, regardless of whether development is phased.
- The grant is assignable by the owner of the property to another party (including a subsequent owner, tenant, or other assignee) at any time during the term of the agreement. If the property is sold or otherwise transferred by the original owner, the Municipality may, in its sole discretion, permit the grant to continue to be assigned to the previous owner for the remainder of the grant period.
- The Municipality of Clarington has the right to review any and all aspects of the program, including the purpose, form, method of application, evaluation and amount of funding of the program, from time to time, or at any time, for any reason, and at the sole and absolute discretion of the Municipality;
- As necessary, the Municipality may amplify or adjust the application and approval protocols associated with this program.
- The Municipality may refuse an application if it deems project feasibility to be limited or for any other reason, at the discretion of the Municipality.

APPENDIX D: EMPLOYMENT LANDS PROGRAM GUIDE

Program 8: Development Charges (DC) Grant – Business Expansion

Rationale and Objective(s)

The objective of this program is to aid with the expansion of existing buildings or development of new buildings on existing property by further reducing the cost of development related to Development Charges (DCs) for existing businesses that wish to expand.

Benefits

- Supports existing industrial businesses looking to expand buildings or add new development on their current property.
- Helps reduce Development Charges to make business expansion more financially feasible.
- Encourages reinvestment in employment lands, increasing assessment and economic activity for the Municipality.

Target Group

Private sector industrial property or business owners seeking to expand on their current property.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The subject property is located within the Municipality of Clarington and has the appropriate land use designation (General Industrial or Light Industrial) under the applicable Official Plan and/or Secondary Plan;
- The applicant is actively seeking the expansion of existing industrial buildings (where the proposed expansion is more than 50 percent of existing gross floor area and therefore subject to DCs) and/or development of new buildings on an existing property; and
- The proposed development is a permitted employment use and assessed by MPAC as “Industrial” (per pre-assessment with MPAC).

Program Specifics and Limitations

- For Eligible Properties (General and Light Industrial), the grant is equivalent to a maximum of 25% of Development Charges levied by the Municipality or a maximum of \$50,000 whichever is less.
- The Municipality has discretion to allocate the maximum grant amount where a project is deemed to have significant benefit to the local economy.
- Payment of the DC grant should be no later than 3 months following the issuance of the building permit. At its discretion, the Municipality may determine whether payment can be made at an earlier date or at the time of development charge payment by the applicant.
- Unless otherwise notified by the Municipality in response to individual applications for financial support under this program, the grant excludes any application to Regional or Education Development Charges.

Approval Process

- The General Application Process outlined in the CIP applies.
- The landowner or developer pays 100% of the DC at the time of building permit (per current Provincial legislation). This cost is reimbursed to the landowner or developer, in the form of a grant based on the in-force DC rates.

Other Restrictions

- The Municipality has the right to review any and all aspects of the program, including the purpose, form, method of application, evaluation and amount of funding of the program, from time to time, or at any time, for any reason, and at the sole and absolute discretion of the Municipality.
- As necessary, the Municipality may amplify or adjust the application and approval protocols associated with this program.
- Grants are for DC charges only and do not absolve an applicant of the responsibility for funding studies and site technical reviews or executing actions to remove other conditions of approval as may be required by the Municipality.
- If during construction, the applicant is in default of relevant By-laws or payments to the Municipality and fails to remedy this within a reasonable period determined by the Municipality, the applicant will be required to repay the DC grant in part or in whole at the discretion of the Municipality.
- If the applicant is in tax arrears in any subsequent year, regarding this or other properties in its ownership in the Municipality, the applicant will, at the discretion of the Municipality, be required to repay part or the entire DC grant as determined by the Municipality.

- These obligations will be confirmed by the execution of an agreement between the successful applicant and the Municipality in a form acceptable to the Municipality.
- If the completed project proves to be inconsistent with the proposed project that was approved and detailed in the application form and supporting documentation, the Municipality retains the right to cancel the disbursement of funds.

Program 9: Tax Increment Equivalent Grant (TIEG) – Major New Investment Stream

Rationale and Objective(s)

The Tax Increment Equivalent Grant (TIEG) program is designed to support major new inward investment in a target sector for the development of Prestige Industrial lands within the Municipality of Clarington, by providing a grant equal to a portion of the tax increment over the existing “base” tax liability.

Benefits

- Leverages increased property tax assessment and helps reduce financial costs of property development for eligible types of development.
- The Municipality benefits by the resulting revaluation and increase in taxes liable on the property over the long term.
- This program supports the Municipality’s objectives to create jobs and support new development and intensification of Employment Lands within the target sectors.

Target Group

Private sector landowners/developers who are actively seeking the development/redevelopment of properties located on Prestige Employment lands for new inward investment. Consideration is subject to:

- (i) Approved zoning for the proposed development;
- (ii) Site plan/floor plans for rehabilitation, renovation, or (re)development;
- (iii) Estimated costs of renovation, rehabilitation or (re)development; and
- (iv) Proposed timing for development.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The applicant is the registered property owner and/or developer of the subject property;

- The subject property is located within the Municipality of Clarington and has the appropriate land use designation (Prestige Employment) under the applicable Official Plan and/or Secondary Plan;
- The proposed development is in one of the Municipality’s target industry sectors; and
- The proposed development is at least 3,700 sq. m in size.

Program Specifics and Limitations

- The maximum of the grant is 50% of the annual Municipal Portion of the tax increment over the agreed base assessment and property tax liability in Year 1 declining by 10% every year.
- The maximum duration of assistance is 5 years or up to \$1,000,000, whichever occurs first.

Illustrative Annual Grant-Back Share/Amount:

Year	Grant Share	Annual Tax Increment on Municipal Portion	Grant Value Payable	Taxes Retained by Municipality
Year 1	50%	\$100,000	\$50,000	\$50,000
Year 2	40%	\$100,000	\$40,000	\$60,000
Year 3	30%	\$100,000	\$30,000	\$70,000
Year 4	20%	\$100,000	\$20,000	\$80,000
Year 5	10%	\$100,000	\$10,000	\$90,000
	Total	\$500,000	\$150,000	\$350,000

- This program applies only to the municipal portion of the tax rate and does not apply to the Regional or Education portions.
- Given the nature of the grant program as fundable only upon completion and revaluation of the property, the Municipality of Clarington may consider approval in principle, subject to the applicant satisfying all applicable development requirements and conditions imposed by the Municipality.
- Final approval is only achieved by decision of Council based on confirmation by staff report that the original intent of the approval in principle and all necessary conditions have been attained.
- The maximum amount of the grant in any year is limited to the value of the work undertaken under eligible costs in that year or the increase in municipal property tax on the property compared to the base (before redevelopment) property tax, whichever is less. Eligible costs not reimbursed in the year they are incurred can be rolled over to subsequent years.

Eligible Costs

Eligible project costs supported under this program include (but are not limited to) the following works:

- Site development and infrastructure work including demolition and disposal off-site, improvement or reconstruction of existing on-site public infrastructure (water services, sanitary and storm sewers, other).
- New Construction.
- Costs associated with the assessment of environmental conditions and the remediation of environmental contamination, and environmental protection.
- Design and engineering directly related to the design, development and commissioning of the completed building(s).
- Eligible costs exclude both construction financing and long-term debt financing principal and interest costs.
- All submitted costs will be subject to review and approval by the Municipality of Clarington.
- Final eligibility will be determined through the demonstrated success of the project through all stages of application (as required) for planning approval, building permit issuance and building code compliance, construction, occupancy, financial viability (as evidenced by the capacity of the owner to pay all required property taxes on the property) and finally revaluation by the Ontario Municipal Property Assessment Corporation (MPAC).

Approval Process

- The General Application Process outlined in the CIP applies.
- The landowner/developer pays for the full cost of development as well as the resulting annual increase in property tax.
- The Municipality reimburses the landowner for all eligible costs by way of an annual grant equivalent to a maximum of 50% of the municipal portion of the incremental property tax increase over an established “base” assessment and tax liability.
- Grant represents foregone income for the Municipality. Site redevelopment creates tax income, a portion of which is foregone under this program. At expiry of the program/agreement, 100% of the municipal property tax is retained by the Municipality.
- In determining the amount of funding up to the maximum permitted, the Municipality should be cognizant of any significant increase in annual municipal

operating costs as a result of redevelopment of the property in receipt of tax assistance.

- Grant approval is required in principle prior to the commencement of construction/development. It should be noted that the Municipality may approve a level of funding that is lower than the maximum increment provided for under this program.
- The Municipality of Clarington will determine the existing “base” assessment for the property – this will normally be defined as being either at the time of approval in principle of the application for TIEG support or an alternate date as recommended by the Treasurer or designate of the Municipality of Clarington.
- Where a project is phased over several years the grant will be based on the property re-assessment and taxable status of the project in each of the interim years before final project completion. At project completion, the remaining years of the grant (as applicable) will be based on the assessed property value provided by the Municipal Property Assessment Corporation (MPAC) in each subsequent year.
- The TIEG is operationalized through a legal agreement placed on title. This agreement specifies the obligations of both the successful applicant and the Municipality, including the amount of annual grant.
- Annual verification of the grant is based on assessment and payment of taxes by property owner.
- The Commencement Date for this program (for purposes of calculating the increment) will be at the discretion of the Municipality of Clarington following discussions with the applicant based on the merits of the development project and resulting estimates of tax increment grant created by the development project over time.

Other Restrictions

- Funding is limited to one grant per property, regardless of whether development is phased.
- The grant is assignable by the owner of the property to another party (including a subsequent owner, tenant, or other assignee) at any time during the term of the agreement. If the property is sold or otherwise transferred by the original owner, the Municipality may, in its sole discretion, permit the grant to continue to be assigned to the previous owner for the remainder of the grant period.
- The Municipality of Clarington has the right to review any and all aspects of the program, including the purpose, form, method of application, evaluation and amount of funding of the program, from time to time, or at any time, for any reason, and at the sole and absolute discretion of the Municipality;

- As necessary, the Municipality may amplify or adjust the application and approval protocols associated with this program.
- The Municipality may refuse an application if it deems project feasibility to be limited or for any other reason, at the discretion of the Municipality.

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APPENDIX E: ON-FARM DIVERSIFICATION PROGRAM GUIDE

Program 10: Agricultural Signage Improvement Grant

Rationale and Objective(s)

This grant is intended to support the design, fabrication, and installation of on-site signage for On-Farm Diversified Uses, such as agri-tourism, farm retail, and other complementary farm-based businesses. Eligible signage may include welcome signs, directional signage, wayfinding signage, and other forms of visitor-oriented identification signage for publicly accessible properties.

The program is intended to improve the visibility, accessibility, and overall appearance of on-farm diversified uses, while helping offset the costs of signage improvements that may not otherwise proceed without financial assistance. Funding may be provided to eligible property owners or tenants for the replacement, improvement, or installation of signage attached to a main building or provided as a ground-mounted sign.

Assistance is limited to properties with eligible On-Farm Diversified Uses that are publicly visible and accessible, and that meet all applicable municipal requirements.

Benefits

- Supports improved visibility, wayfinding, and visitor access for On-Farm Diversified Uses.
- Enhances the appearance and professionalism of farm-based businesses that welcome the public.
- Helps leverage private investment in signage improvements that strengthen on-site branding and the overall visitor experience.
- Contributes to the economic viability and promotion of on-farm diversified activities by making them easier to identify and access.

Target Group

Eligible applicants include registered property owners, or tenants (with written consent of the property owner), of lands containing eligible On-Farm Diversified Uses that are publicly accessible and visible from the public realm.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The subject property is located within the Municipality of Clarington and designated as Prime Agricultural Area or Rural Area;
- The proposed signage is associated with an eligible On-Farm Diversified Use, as determined by the Municipality in accordance with the Official Plan and/or any other applicable municipal policy framework;
- The subject property contains an existing building or use that is publicly visible and accessible, where such visibility and accessibility support the function of the proposed signage;
- The proposed signage complies with all applicable municipal by-laws, standards, and approval requirements, including any signage, zoning, or design-related requirements, as may be in force from time to time; and
- The applicant is the registered owner of the property, or a tenant (with written consent of the property owner) to undertake the proposed signage improvements.

Program Specifics and Limitations

- Matching grant of up to 50% of eligible costs or a maximum of \$4,000 per property, whichever is less.
- The minimum grant is \$1,000 per property. Project applications including matching assistance of less than \$1,000 will not be considered.
- This grant can include improvement of existing signage or the development of new signage attached to a main building or a ground mounted sign.
- Only one successful application per property is permitted during the life of the plan (5 years) received from either the property owner or the tenant (with written consent of the property owner) (or a joint application by both).

Eligible Costs

Examples of Eligible Costs (non-exhaustive) include:

- Design, fabrication, and installation of new on-site signage associated with an eligible On-Farm Diversified Use;
- Replacement, improvement, or restoration of existing signage serving an eligible On-Farm Diversified Use;
- Directional, wayfinding, identification, and welcome signage intended to improve visitor access and on-site visibility;

- Removal and disposal of outdated, damaged, or inappropriate existing signage, and any associated minor surface repair required as a result of such removal;
- Professional design fees, including fees for graphic designers, sign designers, or other qualified professionals required to prepare signage concepts and specifications; and
- Labour, materials, and equipment directly related to the installation of approved signage improvements.

Approval Process

- The General Application Process outlined in the CIP applies.
- Professional quotes from multiple licensed contractors (minimum 2) operating at arm's length from the applicant will be required.
- Applicants who identify other sources of financial assistance for exterior signage improvements, which result in a higher level of private investment than would have otherwise occurred, will be given preference in the allocation of funds.
- Agricultural Signage Improvement Grants will be disbursed as follows: 100% on satisfactory completion as determined by the Municipality.

Other Restrictions

- The Municipality reserves the right to determine whether proposed works constitute eligible improvements versus general maintenance.
- Incentives offered under this program sector are limited to On-Farm Diversified Uses that are publicly visible and accessible, specifically agri-tourism uses and uses that produce value-added agricultural products. Home occupations, home industries, and electricity generation/transmission and energy storage systems are not eligible for grants under this program.

Program 11: Agricultural Building Renovation Grant

Rationale and Objective(s)

This grant is intended to support and leverage private sector investment in internal and external renovations and improvements to existing agricultural buildings that are used, or proposed to be used, for eligible On-Farm Diversified Uses. The program is intended to assist with the re-purposing, retrofitting, renovation, and modernization of agricultural buildings to support value-added agricultural uses, agri-tourism, farm retail, and other permitted on-farm diversified activities.

Eligible improvements may include building, fire, and other code compliance upgrades, including public occupancy load-related building enhancements, expansions or additions, general retrofitting, structural repairs, accessibility improvements, and building system upgrades necessary to improve the long-term functionality, safety, and suitability of the building for its intended use. This may include buildings that already accommodate an On-Farm Diversified Use, as well as buildings proposed to be adapted or repurposed to accommodate such a use.

Benefits

- Supports investment in the renovation and re-purposing of agricultural buildings.
- Helps offset costs related to retrofitting, modernization, and code compliance.
- Improves the functionality and suitability of buildings for eligible On-Farm Diversified Uses.
- Supports farm diversification and new revenue-generating opportunities.

Target Group

Private sector property owners or tenants (with written consent of owner) of lands containing existing agricultural buildings that are used, or proposed to be used, for eligible On-Farm Diversified Uses.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The subject property is located within the Municipality of Clarington and designated as Prime Agricultural Area or Rural Area;
- The applicant is the registered property owner or tenant (with written consent of the property owner) of lands containing existing agricultural buildings that are used, or proposed to be used, for eligible On-Farm Diversified Uses.
- The proposed project is for On-Farm Diversified uses as determined by the Municipality per the Official Plan, or reference to equivalent; and
- The proposed project includes a publicly visible and accessible building intended for public occupancy, per the Building Code.

Program Specifics and Limitations

- Matching grant of up to 50% of eligible costs or a maximum grant of \$20,000 per property, whichever is less. The minimum grant amount is \$10,000 per property.
- Applicants of this program may also apply for the Agricultural Signage Improvement Grant, however, the Municipality, at its sole discretion, may introduce a cap on the total amount of funding per applicant and/or property.

Eligible Costs

Eligible Costs for funding as part of this grant include but are not limited to:

- Building, fire, and other code compliance upgrades, including works required to support public occupancy, where applicable;
- Interior and exterior renovations necessary to improve the functionality, safety, and suitability of an existing agricultural building for an eligible On-Farm Diversified Use;
- Re-purposing and retrofitting of existing agricultural buildings to accommodate value-added agriculture, agri-tourism, farm retail, or other permitted On-Farm Diversified Uses;
- Structural repairs and building system upgrades, including electrical, mechanical, HVAC, plumbing, and related systems, where such works form part of a broader eligible renovation project;
- Expansions, additions, or alterations to existing agricultural buildings, where such works are necessary to support the intended eligible use; and
- Accessibility improvements and other building enhancements required to improve safe and functional public access, where applicable.

Specifically excluded are the following categories of works:

- Routine maintenance and minor repairs;
- New standalone buildings or structures not connected to the renovation of an existing agricultural building;
- Site works, including landscaping, parking, driveways, and fencing;
- Furniture, fixtures, equipment, and movable assets;
- Replacement of building systems or components undertaken as routine lifecycle maintenance rather than as part of a broader eligible renovation or code compliance project;
- Tenant-specific fit-up or improvements that do not provide a lasting building improvement; and
- Any works that do not comply with applicable municipal requirements or that commence prior to grant approval.

Approval Process

- The General Application Process outlined in the CIP applies.
- Professional quotes from multiple licensed contractors (minimum 2) operating at arm's length from the applicant will be required.

- Applicants are required to disclose other sources of public financial assistance for interior building renovations, which result in a lower level of private investment than would have otherwise occurred.
- Applicants will be required to enter into an agreement as to the above terms and conditions of the grant.
- The Agricultural Building Renovation Grant shall be disbursed upon substantial occupancy, subject to the satisfaction of the Municipality.

Other Restrictions

- This program is not applicable to new buildings or major floorspace additions to existing buildings.
- Conditions of approval will be established by the Municipality and may extend to any reasonable consideration to ensure the interests of the Municipality as funder are upheld. Generally, all approvals under this program will require that construction commence within 6 months of an approved building permit, and final completion within 18 months. The Municipality may at its discretion adjust these requirements based on the circumstances of the construction project which may necessitate approvals from other agencies and/or delays in construction which are not in the control of the applicant to overcome.
- If the completed project proves to be inconsistent with the proposed project that was approved and detailed in the application form and supporting documentation, then the Municipality has the right to delay (pending correction of the building works), withhold or cancel the disbursement of funds.
- Incentives offered under this program sector are limited to On-Farm Diversified Uses that are publicly visible and accessible, specifically agri-tourism uses and uses that produce value-added agricultural products. Home occupations, home industries, and electricity generation/transmission and energy storage systems are not eligible for grants under this program.

Program 12: Municipal Fees Grant – Agricultural Stream

Rationale and Objective(s)

This program offers property owners proposing eligible On-Farm Diversified Uses a grant to offset applicable site plan control and building permit fees. In combination with other program supports, the grant is intended to help reduce upfront regulatory costs and encourage investment in agricultural diversification projects.

Benefits

- Helps reduce upfront regulatory costs associated with eligible On-Farm Diversified Use projects.
- Supports private sector investment in agricultural diversification and value-added farm-related development.
- Encourages implementation of eligible projects by helping offset applicable municipal approval fees.

Target Group

Registered property owners, or tenants with the written consent of the property owner, proposing eligible On-Farm Diversified Uses on lands within the Municipality of Clarington.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The subject property is located within the Municipality of Clarington and designated as Prime Agricultural Area or Rural Area;
- The applicant is the registered property owner or tenant (with written consent of the property owner) of lands containing existing agricultural buildings that are used, or proposed to be used, for eligible On-Farm Diversified Uses.
- The proposed project includes an eligible On-Farm Diversified Use, as determined by the Municipality in accordance with the Official Plan and/or any other applicable municipal policy framework; and
- The applicant is applying for eligible municipal approvals and associated fees required to implement the proposed On-Farm Diversified Use project.

Program Specifics and Limitations

- Site Plan Control Fee Grant: Up to a maximum of \$3,000 per property or the cost of the eligible site plan control fees, whichever is less.
- Building Permit Fees Grant: Up to a maximum of \$5,000 per property or the cost of the combined eligible building permit fees, whichever is less.
- The grant is limited only to those fees outlined in the applicable fee schedule of the Municipality of Clarington at the time of application and is always limited to the grant maximums available under this program.

Approval Process

- The General Application Process outlined in the CIP applies.

- The applicant pays all planning and development fees as required and at the times required.
- Eligible fees are reimbursed to the applicant, per the approved amount of grant once relevant approvals are in place:
 - Site Plan Control Fee Grant shall be disbursed at time of planning approval;
 - Building Permit Fee Grant shall be disbursed at the time of Final Completion of the works to the satisfaction of the Municipality.

Other Restrictions

- The Municipality will not provide funding for the fees if the application for planning approval in question or building permit is refused.
- During the plan period, additional applications for planning approval above and beyond the approvals subject to an initial application will be considered. Similarly, additional application for building permit grants arising from subsequent additional works, will also be considered.
- Incentives offered under this program sector are limited to On-Farm Diversified Uses that are publicly visible and accessible, specifically agri-tourism uses and uses that produce value-added agricultural products. Home occupations, home industries, and electricity generation/transmission and energy storage systems are not eligible for grants under this program.

APPENDIX F: BROWNFIELDS PROGRAM GUIDE

Program 13: Environmental Site Assessment (ESA) Grant

Rationale & Objective(s)

The Environmental Site Assessment (ESA) Grant program supports the assessment and redevelopment of privately owned brownfield sites in the Municipality of Clarington by assisting with the costs of Phase Two ESAs and related studies, including Remediation Action Plans, Risk Assessments, and other work required to support remediation and enable a Record of Site Condition.

Benefits

- Encourages land contamination assessment as the first step to clean-up privately owned Brownfields, regardless of where they are located within the Municipality.
- Supports the re-development of Brownfields within the Municipality by funding Phase Two ESAs and other required studies required to inform remediation.

Target Group

Private sector landowners or developers who are actively seeking renovation, redevelopment or re-use of their properties and are able to provide results of a Phase One ESA conducted by a qualified environmental consultant (Qualified Professional) indicating a requirement for a Phase Two ESA to be completed.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The subject property is located within the Municipality of Clarington;
- The applicant is a registered landowner and/or developer of a Brownfield property that requires a Phase Two ESA study; and
- The applicant provides a Phase One ESA for the site conducted by a Qualified Person indicating a requirement for a Phase Two ESA.

Program Specifics and Limitations

- The maximum individual grant is \$20,000 or 50% of the cost of the Phase Two ESA (or related study), whichever is less.
- The maximum assistance per Project, as defined by the Municipality of Clarington, is:

(i) Maximum of 2 studies per Project; and

(ii) Maximum of \$35,000 for the duration of this CIP.

- Assistance under this program is limited to the costs of the Phase Two ESA, remediation risk management and compliance with environmental regulatory requirements.
- Studies which do not contribute to the prescribed regulatory process will not be approved for funding support. The Phase Two ESA and other subsequent analysis must conform in methodology, content and reporting with the requirements of Ontario Regulation 153/04.
- The above limits are at the discretion of the Municipality of Clarington. Funding may be increased at the discretion of the Municipality based on the merits of each individual application as determined by the Municipality. Applicants may be required to furnish the Municipality with additional information, relinquish ownership of ESA reports and enter into additional agreements as necessary to the satisfaction of the Municipality.
- Conversely the Municipality, acting in its discretion, may decline funding if it is determined that the project is unlikely to be viable or otherwise does not meet the objectives of the CIP. This may include, for example, a Phase One ESA that is indeterminate as to the necessity for a Phase Two ESA in order to achieve the stated land use.

Eligible Costs

- Eligible costs are limited to Phase Two ESA, studies, Remediation Action Plans, Risk Assessments, and other studies that are part of the regulatory submission requirements to enable a Record of Site Condition acknowledged by the Ministry of Environment, Conservation and Parks (MCEP).
- An ESA can cover multiple parcels of ownership. The assistance of the Municipality is predicated on an ESA including one or more parcels and is considered to be the Project for which the ESA is undertaken. For greater clarity, funding will not be permitted if ESAs are split into two parcels of ownership.

Approval Process

- All study fees are to be paid to the qualified consultant by the proponent. In order to receive the grant(s), the proponent must submit the relevant invoices to the Municipality along with a full copy (in pdf form) of the Phase Two ESA and any supporting supplementary reports.
- Applications will be prioritized for those properties, which, in the opinion of the Municipality, have a likelihood of successful redevelopment.

- To achieve maximum leverage of non-municipal funds, applicants who identify other sources of financial assistance for ESA and relevant studies will be given preference in the allocation of funds.
- Total combined assistance toward the costs of ESA from all public sources will not exceed 50% of total costs. Municipal funding will be the funding of a last resort where other sources of public assistance exist.

Other Restrictions

- The Municipality will, at its sole discretion, determine if a second follow-up or a complimentary study is eligible for funding and in all cases the initial environmental site assessment study must represent a full and complete Phase One ESA. The Municipality will refuse funding where any attempt is made to divide an environmental site assessment into two (2) studies for purposes of maximizing grant assistance.

Program 14: Tax Increment Equivalent Grant (TIEG) - Brownfield Stream

Rationale and Objective(s)

The Tax Increment Equivalent Grant (TIEG) - Brownfield Stream is designed to support the remediation and redevelopment of environmentally contaminated lands (brownfield sites) within the Municipality of Clarington, by providing a grant equal to a portion of the tax increment over the existing “base” tax liability.

Benefits

- Leverages increased property tax assessment and helps reduce financial costs of property (re)development.
- The Municipality benefits by the resulting revaluation and increase in tax liable on the property over the long term.
- Remediation of environmentally Contaminated Lands and Brownfield development.
- Support to achieve environmental improvements, productive re-use of Brownfield Sites, and continued investment.

Target Group

Private sector landowners/developers who are actively seeking the rehabilitation, renovation, (re)development or re-use of properties within the Municipality-wide CIPA for Contaminated Land remediation. Consideration is subject to:

- (i) Approved zoning for the proposed development;
- (ii) Site plan/floor plans for rehabilitation, renovation, or (re)development;
- (iii) Estimated costs of renovation, rehabilitation or (re)development; and
- (iv) Proposed timing for development.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The subject property is located within the Municipality of Clarington;
- The applicant is a registered landowner and/or developer of a Brownfield property;
- The subject property is comprised of privately-owned lands proposed for rehabilitation, renovation, (re)development or (re)use and Contaminated Land remediation;
- The applicant has completed a Phase Two ESA for the site; and
- There is a demonstrated need for remediation, defined as a site with a Phase Two ESA which indicates that site conditions do not meet standards (under the Environmental Protection Act) to permit filing of a Record of Site Condition.

Program Specifics and Limitations

- The maximum of the grant is 80% of the annual municipal tax increment over the agreed base assessment and property tax liability in Year 1 declining by 15% every two years.
- The maximum duration of assistance is 10 years or when the total cumulative grant equals the total eligible costs, whichever occurs first.

Illustrative Annual Grant-Back Share/Amount:

Year	Grant Share	Annual Tax Increment on Municipal Portion	Grant Value Payable	Taxes Retained by Municipality
Year 1	80%	\$50,000	\$40,000	\$10,000
Year 2	80%	\$50,000	\$40,000	\$10,000
Year 3	65%	\$50,000	\$32,500	\$17,500
Year 4	65%	\$50,000	\$32,500	\$17,500
Year 5	50%	\$50,000	\$25,000	\$25,000
Year 6	50%	\$50,000	\$25,000	\$25,000
Year 7	35%	\$50,000	\$17,500	\$32,500
Year 8	35%	\$50,000	\$17,500	\$32,500
Year 9	20%	\$50,000	\$10,000	\$40,000
Year 10	20%	\$50,000	\$10,000	\$40,000
	Total	\$500,000	\$250,000	\$250,000

- This program applies only to the municipal portion of the tax rate and does not apply to the Regional or Education portions.
- Given the nature of the grant program as fundable only upon completion and revaluation of the property, the Municipality of Clarington may consider approval in principle, subject to the applicant satisfying all applicable development requirements and conditions imposed by the Municipality.
- Final approval is only achieved by decision of Council based on confirmation by staff report that the original intent of the approval in principle and all necessary conditions have been attained.
- The maximum amount of the grant in any year is limited to the value of the work undertaken under eligible costs in that year or the increase in municipal property tax on the property compared to the base (before redevelopment) property tax, whichever is less. Eligible costs not reimbursed in the year they are incurred can be rolled over to subsequent years.

Eligible Costs

Eligible project costs supported under this program include (but are not limited to) the following works:

- Site development and infrastructure work including demolition and disposal off-site, improvement or reconstruction of existing on-site public infrastructure (water services, sanitary and storm sewers, other).
- New Construction.

- Costs associated with the assessment of environmental conditions and the remediation of environmental contamination, and environmental protection.
- Design and engineering directly related to the design, development and commissioning of the completed building(s).
- Eligible costs exclude both construction financing and long-term debt financing principal and interest costs.
- All submitted costs will be subject to review and approval by the Municipality of Clarington.
- Final eligibility will be determined through the demonstrated success of the project through all stages of application (as required) for planning approval, building permit issuance and building code compliance, construction, occupancy, financial viability (as evidenced by the capacity of the owner to pay all required property taxes on the property) and finally revaluation by the Ontario Municipal Property Assessment Corporation (MPAC).

Specific to Contaminated Lands, eligible costs are included above but are also further specified below:

- Environmental remediation and costs of achieving acknowledgement of a Record of Site Condition by the MECP and Certificate of Property Use as may be required. This includes remedial action plans, risk management plans, and implementation costs.
- Waste transfer of contaminated (impacted) soils only to landfill and tipping fees for contaminated soils land fill. This explicitly excludes excess soil removal as part of the required development for soils which are not contaminated.
- Fill and grading to replace only contaminated soils.
- At the discretion of Council, demolition of existing buildings or structures required as part of remediation efforts.
- At the discretion of Council, site development and infrastructure work including improvement or reconstruction of existing on-site infrastructure and development, triggered by the existence of contamination and requirements for remediation.
- Legal fees directly related to site investigation, remediation and filing of a Record of Site Condition and compliance with any Certificate of Property Use.
- Insurance premiums for Cost Cap Insurance and Pollution Legal Liability (PLL) Insurance.
- Ongoing site environmental monitoring and management (part of risk management strategies).

Approval Process

- The landowner/developer pays for the full cost of remediation and rehabilitation as well as the resulting annual increase in property tax.
- The Municipality reimburses the landowner for all eligible costs by way of an annual grant equivalent to a maximum of 80% of the municipal portion of the incremental property tax increase over an established “base” assessment and tax liability.
- Grant represents foregone income for the Municipality. Site redevelopment creates tax income, a portion of which is foregone under this program. At expiry of the program/agreement, 100% of the municipal property tax is retained by the Municipality.
- In determining the amount of funding up to the maximum permitted, the Municipality should be cognizant of any significant increase in annual municipal operating costs as a result of redevelopment of the property in receipt of tax assistance.
- Grant approval is required in principle prior to the commencement of construction/development. It should be noted that the Municipality may approve a level of funding that is lower than the maximum increment provided for under this program.
- The Municipality of Clarington will determine the existing “base” assessment for the property – this will normally be defined as being either at the time of approval in principle of the application for TIEG support or an alternate date as recommended by the Treasurer or designate of the Municipality of Clarington.
- Where a project is phased over several years the grant will be based on the property re-assessment and taxable status of the project in each of the interim years before final project completion. At project completion, the remaining years of the grant (as applicable) will be based on the assessed property value provided by the Municipal Property Assessment Corporation (MPAC) in each subsequent year.
- The TIEG is operationalized through a legal agreement placed on title. This agreement specifies the obligations of both the successful applicant and the Municipality, including the amount of annual grant.
- Annual verification of the grant is based on assessment and payment of taxes by property owner.
- The Commencement Date for this program (for purposes of calculating the increment) will be at the discretion of the Municipality of Clarington following discussions with the applicant based on the merits of the development project and resulting estimates of tax increment grant created by the development project over time.

Other Restrictions

- Funding is limited to one grant per property, regardless of whether development is phased.
- The grant is assignable by the owner of the property to another party (including a subsequent owner, tenant, or other assignee) at any time during the term of the agreement. If the property is sold or otherwise transferred by the original owner, the Municipality may, in its sole discretion, permit the grant to continue to be assigned to the previous owner for the remainder of the grant period.
- The Municipality of Clarington has the right to review any and all aspects of the program, including the purpose, form, method of application, evaluation and amount of funding of the program, from time to time, or at any time, for any reason, and at the sole and absolute discretion of the Municipality;
- As necessary, the Municipality may amplify or adjust the application and approval protocols associated with this program.
- The Municipality may refuse an application if it deems project feasibility to be limited or for any other reason, at the discretion of the Municipality.
- All land uses are eligible. The need for remediation must be demonstrated through an Environmental Site Assessment, any required Risk Assessment, and a remediation plan that meets the Environmental Protection Act and its regulations.

APPENDIX G: CONFERENCE/BANQUET FACILITIES PROGRAM GUIDE

Program 15: Tax Increment Equivalent Grant (TIEG) – Conference/Banquet Facility Stream

Rationale and Objective(s)

The Tax Increment Equivalent Grant (TIEG) program is designed to support the development of conference/banquet facilities associated with a hotel within the Municipality of Clarington, by providing a grant equal to a portion of the tax increment over the existing “base” tax liability.

Benefits

- Leverages increased property tax assessment and help reduce financial costs of property development for eligible types of development.
- The Municipality benefits by the resulting revaluation and increase in taxes liable on the property over the long term.
- Increases the Municipality’s capacity to host business events, conferences, weddings, and community gatherings while supporting tourism, visitor spending, and overnight stays in Clarington.

Target Group

Private sector landowners/developers who are actively seeking the development of conference/banquet facilities associated with a hotel located in the Municipality of Clarington. Consideration is subject to:

- (i) Approved zoning for the proposed development;
- (ii) Site plan/floor plans for rehabilitation, renovation, or (re)development;
- (iii) Estimated costs of renovation, rehabilitation or (re)development; and
- (iv) Proposed timing for development.

Eligibility

- The applicant meets the general eligibility criteria set out in Section 3.1 of this CIP;
- The applicant is the registered property owner and/or developer of the subject property;

- The subject property is serviced, located within the Municipality of Clarington and has an appropriate land use designation to enable the development of a conference/banquet facility associated with a hotel;
- Your proposed development includes a conference/banquet hall facility (in the range of 370 sq. m/4,000 sq. ft.) associated with a hotel.

Program Specifics and Limitations

- The maximum of the grant is 50% of the annual Municipal Portion of the tax increment over the agreed base assessment and property tax liability in Year 1, declining by 10% every year.
- The maximum duration of assistance is 5 years, or up to the total eligible costs, whichever occurs first.
- Illustrative Annual Grant-Back Share/Amount:

Year	Grant Share	Annual Tax Increment on Municipal Portion	Grant Value Payable	Taxes Retained by Municipality
Year 1	50%	\$100,000	\$50,000	\$50,000
Year 2	40%	\$100,000	\$40,000	\$60,000
Year 3	30%	\$100,000	\$30,000	\$70,000
Year 4	20%	\$100,000	\$20,000	\$80,000
Year 5	10%	\$100,000	\$10,000	\$90,000
	Total	\$500,000	\$150,000	\$350,000

- This program applies only to the municipal portion of the tax rate and does not apply to the Regional or Education portions.
- Tax assistance is limited to the conference/banquet facility portion of the development only. The hotel or other non-conference/banquet facility portions are not eligible for this TIEG stream.
- Given the nature of the grant program as fundable only upon completion and revaluation of the property, the Municipality of Clarington may consider approval in principle, subject to the applicant satisfying all applicable development requirements and conditions imposed by the Municipality.
- Final approval is only achieved by decision of Council based on confirmation by staff report that the original intent of the approval in principle and all necessary conditions have been attained.
- The maximum amount of the grant in any year is limited to the value of the work undertaken under eligible costs in that year or the increase in municipal property tax on the property compared to the base (before redevelopment) property tax,

whichever is less. Eligible costs not reimbursed in the year they are incurred can be rolled over to subsequent years.

Eligible Costs

- Eligible project costs supported under this program include (but are not limited to) the following works:
- Site development and infrastructure work including demolition and disposal off-site, improvement or reconstruction of existing on-site public infrastructure (water services, sanitary and storm sewers, other).
- New Construction.
- Costs associated with the assessment of environmental conditions and the remediation of environmental contamination, and environmental protection.
- Design and engineering directly related to the design, development and commissioning of the completed building(s).
- Eligible costs exclude both construction financing and long-term debt financing principal and interest costs.
- All submitted costs will be subject to review and approval by the Municipality.
- Final eligibility will be determined through the demonstrated success of the project through all stages of application (as required) for planning approval, building permit issuance and building code compliance, construction, occupancy, financial viability (as evidenced by the capacity of the owner to pay all required property taxes on the property) and finally revaluation by the Ontario Municipal Property Assessment Corporation (MPAC).

Approval Process

- The landowner/developer pays for the full cost of development as well as the resulting annual increase in property tax.
- The Municipality reimburses the landowner for all eligible costs by way of an annual grant equivalent to a maximum of 50% of the municipal portion of the incremental property tax increase over an established “base” assessment and tax liability.
- Grant represents foregone income for the Municipality. Site redevelopment creates tax income, a portion of which is foregone under this program. At expiry of the program/agreement, 100% of the municipal property tax is retained by the Municipality.
- In determining the amount of funding up to the maximum permitted, the Municipality should be cognizant of any significant increase in annual municipal operating costs as a result of redevelopment of the property in receipt of tax assistance.

- Grant approval is required in principle prior to the commencement of construction/development. It should be noted that the Municipality may approve a level of funding that is lower than the maximum increment provided for under this program.
- The Municipality of Clarington will determine the existing “base” assessment for the property – this will normally be defined as being either at the time of approval in principle of the application for TIEG support or an alternate date as recommended by the Treasurer or designate of the Municipality of Clarington.
- Where a project is phased over several years the grant will be based on the property re-assessment and taxable status of the project in each of the interim years before final project completion. At project completion, the remaining years of the grant (as applicable) will be based on the assessed property value provided by the Municipal Property Assessment Corporation (MPAC) in each subsequent year.
- The TIEG is operationalized through a legal agreement placed on title. This agreement specifies the obligations of both the successful applicant and the Municipality, including the amount of annual grant.
- Annual verification of the grant is based on assessment and payment of taxes by property owner.
- The Commencement Date for this program (for purposes of calculating the increment) will be at the discretion of the Municipality of Clarington following discussions with the applicant based on the merits of the development project and resulting estimates of tax increment grant created by the development project over time.

Other Restrictions

- Funding is limited to one grant per property, regardless of whether development is phased.
- Standalone hotel developments that do not include a conference/banquet facility are not eligible for incentives under this program.
- The grant is assignable by the owner of the property to another party (including a subsequent owner, tenant, or other assignee) at any time during the term of the agreement. If the property is sold or otherwise transferred by the original owner, the Municipality may, in its sole discretion, permit the grant to continue to be assigned to the previous owner for the remainder of the grant period.
- The Municipality of Clarington has the right to review any and all aspects of the program, including the purpose, form, method of application, evaluation and amount of funding of the program, from time to time, or at any time, for any reason, and at the sole and absolute discretion of the Municipality;

- As necessary, the Municipality may amplify or adjust the application and approval protocols associated with this program.
- The Municipality may refuse an application if it deems project feasibility to be limited or for any other reason, at the discretion of the Municipality.

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