Program Guide Development Incentive

New Commercial and Mixed–Use Development

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The Development Incentive Program supports the evolution of attractive, pedestrian-friendly main streets, one new commercial or mixed-use building at a time. The program provides matching reimbursement grants to cover a portion of eligible costs. Sites must be located within Business Improvement Areas or other Council-approved Target Areas.

This document provides information on the program, how it works, and how to qualify.

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Development Incentive Grants

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There are two grants available to support new commercial or mixed-use development within Business Improvement Areas and other Council-approved Target Areas:

- 1. New Commercial Development Grant
- 2. Mixed-Use Development Grant

A project may only receive one grant through the Development Incentive Program. Due to limited funding, not all projects that apply to the program and meet the design principles will receive a grant, or the maximum grant amount.

1. New Commercial Development Grant

A grant of up to 10% of the total construction value to a maximum of \$100,000 may be available for new buildings that meet the following:

- Be a new commercial building that has a minimum construction value of \$250,000
- □ Is a minimum of two storeys in height, and
- □ Has a commercial unit(s) on the ground floor

2. Mixed-Use Development Grant

A grant of up to \$10,000 per dwelling, up to a maximum of \$200,000 for the whole building, may be available to new buildings that meet the following criteria:

- Be a new mixed-use development that has commercial unit(s) on the ground floor.
- Derojects that include Live Work units are eligible to apply

Development Incentive Program

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Eligibility

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To be eligible to apply for the New Commercial or Mixed-Use Development grants, a proposed project **must:**

- Construction work has not started
- Be located within a Business Improvement Area or other Council-approved Target Area, excluding Exhibition Lands
- □ Be located on a redevelopment site of less than one hectare
- □ Include ground-floor commercial units
- Be street-oriented or designed with an emphasis on the sidewalk and pedestrian access to the building, rather than vehicle access and parking areas. Buildings are generally sited close to the lot line bordering the street. Parking areas should not be emphasized by the design of the site
- □ Meet the design principles (see page 8 for more information)
- Building will have clear, unobscured street-level windows once construction is complete and for the 10 year maintenance period
 - Window tints, vinyl wraps, tinted or frosted glass, large window decals, and window perforations that obscure views in and out of the building are not permitted
 - No security bars or rolling shutters are permitted over windows or doors once construction is complete and for the 10 year maintenance period. We encourage the use of shatterproof clear glass or security films on windows instead

Additional eligibility criteria for the New Commercial Development Grant

□ The proposed project must be at least two stories in height

Additional eligibility criteria for the Mixed-use Development Grant

- □ The proposed project must include ground-floor commercial units
- □ The proposed project must include residential units

Funding is limited. Submitting an application does not guarantee funding, even if all eligibility criteria and design principles are met. Applications are evaluated based on how well they meet the design principles and intent of the program, and the availability of funding.

Eligible Work

The grant may reimburse architectural/engineering/design costs, construction and labour.

Ineligible costs include site remediation, permit fees, insurance, appliances, fireplaces, and other temporary items.

Program Process

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There are six steps in the Development Incentive Program process:

Apply	Review	Reimbursement Agreement	Construction	Reimbursement	Maintenance
Submit a completed application package to the Program Manager during an Application	Applications are reviewed by the Project Review Committee.	Submit additional information to the Program Manager and enter into a Reimbursement Agreement .	Start and complete work on the storefront within two years of signing the Agreement.	Grant is issued after work is complete and required documents are submitted to the Program Manager.	Work supported through the grant must be maintained for ten years.

Step 1: Apply to the Program

The property owner or someone approved by the property owner to act on their behalf may apply for the New Commercial Development Grant or the Mixed-use Development Grant.

How to apply

- 1. Contact the Program Manager to confirm eligibility and discuss the program. The Program Manager will visit your site to discuss your plans and help you plan for a successful application.
- 2. Complete an application package:
 - a. Application form
 - b. Drawings/elevations/site plan showing the property line/renderings clearly showing what the completed project will be
- 3. Submit a completed application to the Program Manager during an application period.

Step 2: Application Review

Completed applications received during an application period are reviewed by the Project Review Committee against the design principles and intent of the program, and available funding. We strongly recommend applying for Development Permits/Building Permits after a project is reviewed by the Project Review Committee, and conducting a pre-application meeting with Development Services to discuss all projects that require a Major Development Permit (edmonton.ca/preapplication).

• Approved applications can move on to the next stage of the program.

- If an application is **approved with conditions**, the applicant will need to alter the design to meet the conditions in order to be eligible for funding and move on to the next stage of the program. Changes must be approved by the Project Manager.
- If an application is **refused**, the applicant may submit a revised design during the next application period.

Key things to know about the review process:

- Decisions by the Project Review Committee are final and cannot be appealed.
- Due to limited funding, not all projects that apply to the program and meet the design principles will receive a grant, or the maximum grant amount.
- Approval by the Project Review Committee **is not** a formal plans review by Development Services and does not guarantee that projects will be approved for Development or Building Permits without alterations to the design. Alterations to an approved design must be approved by the Program Manager.
- Approval from the Edmonton Design Committee does not guarantee funding or approval for the Development Incentive Program. These are two separate processes.
- Projects that start construction before a Development Incentive Program Reimbursement Agreement is signed by all parties are ineligible to receive a grant.

Step 3: Reimbursement Agreement

Once an application is approved, you will need to prepare the following documentation and send it to the Program Manager within <u>one year</u> of the approval letter.

- □ Three quotes for the scope of the work
- □ A cost breakdown from the chosen contractor
- □ The City of Edmonton business license number of the general contractor
- □ An overall budget summary of the project
- □ A copy of all permit applications

The City of Edmonton will pull the Land Title and Corporate Registry Search for the property to confirm the legal address and property owner.

This documentation is used to create a draft Reimbursement Agreement. The Reimbursement Agreement is a standard form contract identifying the maximum grant amount, the approved project design and the eligible improvements that the applicant may seek reimbursement for upon successful project completion.

If this documentation is not provided within one year of the approval letter, the project file will be closed and the funding reallocated. If a year passes without the applicant submitting

required documentation, the applicant may reapply to the program during the next application period provided that no construction has begun, and with the understanding that funding is not guaranteed.

Step 4: Construction

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Projects have two years to complete construction in order to be eligible to receive the Reimbursement Grant. All contractor invoices must be paid in full.

As soon as the project is complete, email the Program Manager to move into the next phase of the Development Incentive Program.

Step 5: Reimbursement

The Program Manager will inspect the site to ensure that the finished building complies with the terms of the Reimbursement Agreement. Any deficiencies will be noted and must be addressed to the satisfaction of the City within two months of providing a written summary of deficiencies.

The following documentation must also be submitted:

- □ All invoices and proof of payment for eligible work identified in the Reimbursement Agreement
- City of Edmonton business license numbers for all subcontractors
- A cost summary for the work
- A tax notice showing the property is current on municipal property taxes
- Permit service reports showing that the work has been completed to the satisfaction of the City of Edmonton. You can arrange for a permit inspection by calling 311.

Documentation must be submitted in a timely manner. If documentation is not submitted within six months after completion of the project, the project file will be closed and grant funding reallocated.

Step 6: Maintenance

All new buildings supported by the Development Incentive Program must be maintained for a period of 10 years. This includes general maintenance, graffiti removal, and keeping windows and doors clear of clutter, vinyl wraps and security bars or shutters. If the owner fails to maintain the building, they may be required to repay up to 50% of the grant.

Important to Know

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The Development Incentive Program team is here to support you through the program process, however there are some key things to understand about the program in order to be successful.

- If you start work before the Reimbursement Agreement is signed, the project will not receive a grant-- even if it was approved by the Project Review Committee.
- It is your responsibility to manage contactors and keep track of invoices.
- It is your responsibility to obtain all required permits, including a Development and Building permit.
- It is your responsibility to request approval from the Program Manager for any changes in design after the Agreement is signed. Changes may require further review from Development and Safety Codes. Significant changes to the approved design may result in a re-circulation of the design to the Review Committee. If the new design is not approved, the project will not be eligible for a Development Incentive Program Grant.
- If you miss the deadline to submit documentation, the program file will be closed and the grant funding reallocated.
- Grant amounts will not be increased due to changes in project scope or cost overruns.

Design Principles

The Development Incentive Program supports attractive, street-oriented buildings within Business Improvement Areas. New buildings supported through the program should contribute aesthetically to the area and should be designed to support walkable main streets and successful businesses.

The **design principles** are focused on the interface between the street and the building. They apply to both New Commercial projects and Mixed-use projects. All applications received during an application period will be reviewed against the program design principles. Funding is limited, and the project or projects that <u>best</u> meet the design principles will be awarded a grant.

We encourage you to explore ways to fulfil the design principles that go beyond the improvements listed as examples here. Be creative!

The design principles are:

- Projects contribute to a lively pedestrian street.
 - Buildings should help to define and frame the public realm.
 - Buildings should enable at-grade and "spill out" commercial activities by enabling browsing, outdoor cafes, walk-up counters, street entertainment, public seating, and/or outdoor seating.
 - Buildings should allow people on the street to see the commercial activity inside.
- New buildings are designed for pedestrians.
 - Frontages should create visual interest through entrances at regular intervals, varied articulation, and visual permeability. Avoid long, unvaried frontages at street-level.
 - Buildings should have a strong entry feature(s) for all commercial entrances.
 - Buildings should have separation and clarity of identity for residential and commercial entrances.
 - Public and semi-public spaces should be distinguished through site design, changes in paving or grading, architectural features, and/or landscaping.
 - On-site parking should be underground or in the rear of the building to support the development of a walkable streetscape.
- Buildings support accessibility.
 - Commercial units should have direct access to the sidewalk.
 - All entrances should be no-step, or a convenient alternative provided.
 - Entrances should have automatic doors where possible.

- Building design considers all four seasons.
 - Awnings, canopies or other external weather protection features are encouraged.
 - Permanent patios are encouraged in areas that optimize sunshine to allow for three or four season use.
 - Landscaping should include species and elements that provide visual interest through all four seasons.
 - Lighting plans should be attractive, avoid overspill, and be dark sky compliant.
- Building contributes to safe streets through Crime Prevention Through Environmental Design.
 - Mirrored, tinted or dark glass at grade is not permitted.
 - Landscaping should be designed to allow clear views into and out of the building.
 - Design should maximize opportunities for "eyes on the street"
 - Clear security films on windows are encouraged. No rolling shutters or interior security grills are permitted.
- New buildings are energy efficient and climate resilient.
 - Hire professional services to model the building's potential energy and cost savings as part of project planning, and implement the recommendations.
 - An energy efficiency improvement of 15% or higher over the 2017 National Energy Code of Canada for Buildings (NECB).
 - The design includes opportunities to generate clean electricity with rooftop solar panels or other on-site renewables such as geothermal.
 - Building's mechanical, electrical and lighting systems should be certified as energy efficient (ENERGY STAR, DLC, etc.) to reduce energy consumption.
 - The design includes mitigation measures for extreme weather conditions, such as extreme heat or cold, flooding, or hail. Examples could include locating HVAC, plumbing, and other equipment above the height of expected flood levels; including back-up power generation in case of blackouts; and/or installing impact-resistant glass.
 - Landscaping includes LID (Low Impact Design) principles such as rainwater harvesting, rain gardens, and local plant varieties.

Additional design principles that we recommend for mixed-use developments:

- Residential units are universally accessible
- Residential units are family friendly (three or more bedrooms)

Contact the Program

Development Incentive Program Tel: 780-231-2337 Email: development.incentive@edmonton.ca edmonton.ca/developmentincentive