



# PROCEDURE

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**PROCEDURE NO:** 316•1

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**TITLE:** Downtown Incentives Program Procedures

**APPROVAL DATE:** March 21, 2016

**POLICY:** 316, Downtown Incentives Program

**REVISION DATE:** July 9, 2020

**SECTION:** Finance

**RESPONSIBLE**

**DEPARTMENT:** Economic Development

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## 1. APPLICABILITY

- 1.1 Policy 316 applies to infill residential development, façade improvement projects and new patio projects within the Downtown Incentives Program Boundary, as outlined in Schedule A (map) of Policy 316.
- 1.2 Program participants are required to comply with all permit requirements, Provincial Building Codes, applicable statutory plans, the City of Grande Prairie Land Use Bylaw and other relevant Bylaws.

## 2. MUNICIPAL CONTROL

- 2.1 The City of Grande Prairie (City) shall be protected in the delivery of a Downtown Incentives Program Grant that:
  - a) City Council or Administration can close the program to new applications at any time;
  - b) Any delivery of program funding is bound by the terms of a Reimbursement or Project Funding Agreement;
  - c) Submitting an application does not commit the City to enter into an agreement to pay any costs incurred in its preparation, to participate in subsequent negotiations or to agreement for the project. Further, the acceptance of an application does not constitute an agreement by the City to enter into any agreement;
  - d) The program period during which applicants may qualify for program funding is limited by Administration;
  - e) The City will only consider grant funding for a particular feature or aspect of a project under one (1) grant funding program; and
  - f) Projects will be funded on a first-come, first-served basis.

### **3. URBAN RESIDENTIAL DEVELOPMENT GRANT PROGRAM**

#### **3.1 Applicability**

3.1.1 Applies to new development and/or redevelopment of a mixed-use and/or multi-unit residential building within the Downtown Incentives Program Boundary, as outlined in Schedule A (map) of Policy 316. Applications to the Urban Residential Development Program shall be considered for funding based on the number of new dwellings created, a matching grant for the upsizing of water and wastewater connections, a waiver of City fees and a tax deferral.

#### **3.2 Eligibility Criteria**

3.2.1 The following requirements must be met by the applicant to be eligible for a grant:

- a) Be the property owner(s) or that person's legal representative;
- b) Submit the proposed project for one (1) of the following mixed-use or multi-unit residential building types upon completion:
  - (i) A mixed-use building that creates a minimum of three (3) dwelling units located above commercial use occupancy on the ground floor of the building, through either new construction or through conversion of an existing building from an alternate use other than multi-unit residential; or
  - (ii) A multi-unit residential building that creates a minimum of twenty-four (24) new dwelling units and is at least three (3) storeys through either new construction or through conversion of an existing building from an alternate use other than mixed-use.

3.2.2 Funds are allocated subject to the conditions of Policy 316, this Procedure and a review of proposed developments for applicable grants.

3.2.3 The City reserves the right to determine applicant participation in the Program on a case-by-case basis.

#### **3.3 Application Requirements**

3.3.1 Applications submitted must include the following components:

- a) A completed Application Form;
- b) A Site Plan that indicates the location of all existing and proposed structures and their context;
- c) A complete description of the project including the proposed uses and number of residential units;

d) Proof of Means confirming financial ability to complete the proposed project. May include a grant confirmation, bank statement or letter from lender or other funding source; and

e) Drawings that show the proposed design. Construction drawings are acceptable.

### **3.4 Application and Review Process**

3.4.1 In conjunction with, or prior to, submitting an application, the applicant should review the Application Requirements and consult the Program Coordinator regarding the application process, requirements, criteria, rules of eligibility, project design, and other relevant details of the proposed project.

3.4.2 In order to ensure adequate and consistent review, the project proposal shall be prepared in accordance with the format established by the Program Coordinator.

3.4.3 The City reserves the right to accept, reject or modify any application and render decisions in regards to complete applications as approvals, approvals with conditions and refusals.

3.4.4 Completed applications shall be submitted to the Program Coordinator.

3.4.5 Applications shall be reviewed by the Downtown Incentives Program Review Committee.

3.4.6 The Downtown Incentives Program Review Committee will be the approving authority.

3.4.7 The City's decision to approve an application is based on the project meeting the eligibility criteria of the program and on its compliance to the Downtown Incentive Program Guidelines.

3.4.8 Applicants are required to enter into a Project Funding Agreement with the City which specifies the amount and conditions under which the City will provide funding. This includes the terms of the waiver of City fees and water utility connection grant. Detailed requirements of the Project Funding Agreement are stipulated therein and include such variables as the general upkeep and maintenance of the property.

3.4.9 Applicants receiving the tax deferral are required to enter into a Tax Deferral Agreement with the City. The agreement will indicate the conditions of the deferral.

3.4.10 Signed copies of all agreements must be received by the City within twenty (20) working days of notification of approval.

### **3.5 Construction Process**

3.5.1 All projects assisted by this program must be completed in a timely manner. The agreement will allow a maximum of twenty-four (24) months for completion from the time of approval notification. When it can be demonstrated that circumstances clearly beyond the applicant's control prohibited completion within twenty-four (24) months, the City will respect any extensions granted through the building permit process. Failure to complete the project in a timely manner will result in cancellation of the agreement at the discretion of the City.

3.5.2 The applicant shall be responsible for securing all the required construction permits from the City. Applicants may be eligible for a waiver of the City's portion of all Inspection Services Permit Fees, Engineering Services Fees and Planning & Development Fees permit fees as defined by Policy 316 Downtown Incentives Program. Amounts remitted to other levels of government, charged as a result of a penalty or relating to construction not approved under Policy 316 remain payable.

3.5.3 Final determination of the qualification of a development project is not made until the construction is complete and a review has been undertaken to assess the project against the applicant's previously approved proposal.

### **3.6 Provision of Grant Funding**

3.6.1 The amount of funds awarded shall be established in the Project Funding Agreement.

3.6.2 City funds will only be disbursed for work as specified in the Project Funding Agreement which has been satisfactorily completed with all required permits.

3.6.3 At the time that a funding disbursement request is made, no individual or business will be eligible for funding, if such entity is in default of taxes owing or an obligation funded by any other municipal program.

3.6.4 The applicant is responsible for payment to contractors. The City will not pay the contractors directly.

### **3.7 Tax Deferral**

3.7.1 Only the Municipal portion of the Increased Assessed Value may be deferred. Education taxes and taxes on the original assessed value are still payable annually.

3.7.2 Tax deferral is non-transferable and any deferred taxes must be paid in full upon sale of the property.

3.7.3 The three (3) year deferral period will begin on the date that the building permit is approved.

3.7.4 The Increased Assessed Value is based on the condition date of December 31<sup>st</sup> of each year.

## **4. FAÇADE IMPROVEMENT GRANT PROGRAM**

### **4.1 Applicability**

4.1.1 Applies to improvements to the external façade of a commercial, retail Apartment Building or Mixed-Use Apartment Building within the Downtown Incentives Program Boundary, as outlined in Schedule A (map) of Policy 316. The grant and fee waiver only apply to improvements to the first three (3) stories of a building. Improvements to the interior of a building may qualify, if they have a positive impact on the exterior and contribute to the established criteria. Applicants may be considered for a matching grant and a waiver of City fees.

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4.1.2 The waiver of City building and permit fees is only applicable to facades approved under the Façade Improvement Program. In the case of new construction, only the portion of construction costs associated with the exterior of the first three (3) stories meeting the eligibility criteria of the program will be included in the fee waiver calculation. The Applicant must provide proof of façade construction costs. Amounts remitted to other levels of government, charged as a result of a penalty or relating to construction not approved under Policy 316 remain payable.

## **4.2 Eligibility Criteria**

4.2.1 The following requirements must be met by the applicant to be eligible for a grant:

- a) Be the property owner(s) or that person's legal representative;
- b) Submit the façade design to achieve a minimum of five (5) of the design goals outlined in the Downtown Incentives Program Guidelines; and
- c) Meet additional Application Requirements as specified by the Downtown Incentives Program Review Committee.

4.2.2 Costs associated with vinyl backlit boxed or digital signage are not eligible for reimbursement under the Downtown Incentives Program.

4.2.3 Funds are allocated subject to the conditions of Policy 316, this Procedure, and a review of proposed improvements for eligible reimbursement.

4.2.4 The City reserves the right to determine applicant participation in the Program on a case-by-case basis.

## **4.3 Application Requirements**

4.3.1 Applications submitted must include the following components:

- a) A completed Application Form;
- b) Photos that show the current façade and its context;
- c) A complete description of the project including how they achieve the required number of Design Goals from the Downtown Incentives Program Guidelines;
- d) Drawings that show the proposed design. Construction drawings are acceptable; and
- e) Detailed estimates for Hard Costs including materials and labour. A minimum of two (2) quotes from two (2) separate contractors that indicate the cost of the project shall be provided.

#### **4.4 Application and Review Process**

- 4.4.1 In conjunction with, or prior to, submitting an application, the applicant should review the Application Requirements and may consult the Program Coordinator regarding the application process, requirements, criteria, rules of eligibility, project design, and other relevant details of the proposed project.
- 4.4.2 In order to ensure adequate and consistent review, the project proposal shall be prepared in accordance with the format established by the Program Coordinator.
- 4.4.3 To be eligible for reimbursement, no work is to be performed until a Reimbursement Agreement is entered into with the City. Work that has commenced prior to City approval is not eligible for reimbursement.
- 4.4.4 The City reserves the right to accept, reject or modify any application and render decisions in regard to complete applications as approvals, approvals with conditions, and refusals.
- 4.4.5 Completed applications shall be submitted to the Program Coordinator.
- 4.4.6 The application deadline and for each intake period shall be established annually, or as necessary, by the Program Coordinator.
- 4.4.7 Applications shall be reviewed by the Downtown Incentives Program Review Committee after the end of each intake period.
- 4.4.8 The Downtown Incentives Program Review Committee will be the approving authority.
- 4.4.9 The City's decision to approve an application is based on the project meeting the eligibility criteria of the program and on its compliance with the Downtown Incentives Program Guidelines.
- 4.4.10 Applicants are required to enter into a Reimbursement Agreement with the City which specifies work to be completed, the Hard Costs of the project, and the amount and conditions under which the City will provide reimbursement. Detailed requirements of the Reimbursement Agreement are stipulated therein and include such variables as the general upkeep and maintenance of property improvements including the functionality of any structural improvements.
- 4.4.11 A Reimbursement Agreement signed by the applicant must be received by the City within twenty (20) working days of notification of approval.

#### **4.5 Construction Process**

- 4.5.1 All projects assisted by this program must be completed in a timely manner. The agreement will allow a maximum of twelve (12) months for completion from the time of approval notification. When it can be demonstrated that circumstances clearly beyond the applicant's control prohibited completion within twelve (12) months, the City will respect any extensions granted through the building permit process. Failure to complete the project in a timely manner may result in cancellation of the agreement at the discretion of the City.

- 4.5.2 The applicant shall be responsible for securing all the required construction permits from the City.
- 4.5.3 All contractors must be licensed by the Province of Alberta. All construction agreements will be between the applicant and the contractor.
- 4.5.4 Final determination of the qualification of a façade improvement is not made until the construction is complete and a review has been undertaken to assess the project against the applicant's previously approved proposal.

#### **4.6 Reimbursement of Project Costs**

- 4.6.1 The amount of funds reimbursed shall be based on the project's actual Hard Costs.
- 4.6.2 City funds will be disbursed, as per the Reimbursement Agreement, once the post construction review has determined that the project matches the approved proposal and proof of project costs has been provided.
- 4.6.3 At the time a reimbursement request is made, no individual or business will be eligible for reimbursement if such entity is in default of taxes owing or an obligation funded by any other municipal program.
- 4.6.4 The applicant is responsible for payment to contractors. The City will not pay the contractors directly.

### **5. PATIO GRANT PROGRAM**

#### **5.1 Applicability**

- 5.1.1 Applies to the development of, or upgrades to, a patio within the Downtown Incentives Program Boundary, as outlined in Schedule A (map) of Policy 316. Applicants may be considered for a matching grant and a waiver of City fees.

#### **5.2 Eligibility Criteria**

- 5.2.1 The following requirements must be met by the applicant to be eligible for a grant:
  - a) Be the property owner(s) or that person's legal representative; and
  - b) Meet additional Application Requirements as specified by the Downtown Incentives Program Review Committee.
- 5.2.2 Funds are allocated subject to the conditions of Policy 316, this Procedure and a review of proposed developments for eligible reimbursement.
- 5.2.3 The City reserves the right to determine applicant participation in the Program on a case-by-case basis.

### **5.3 Application Requirements**

5.3.1 Applications submitted must include the following components:

- a) A completed Application Form;
- b) Photos that show the current site and its context;
- c) A Site Plan that indicates the location of the proposed patio and its context;
- d) A complete description of the project and how it relates to the business;
- e) Drawings that show the proposed design and layout. Construction drawings are acceptable; and
- f) Detailed estimates for Hard Costs including materials and labour. A minimum of two (2) quotes from two (2) separate contractors that indicate the cost of the project shall be provided.

### **5.4 Application and Review Process**

- 5.4.1 In conjunction with, or prior to, submitting an application, the applicant should review the Application Requirements and may consult the Program Coordinator regarding the application process, requirements, criteria, rules of eligibility, project design, and other relevant details of the proposed project.
- 5.4.2 In order to ensure adequate and consistent review, the project proposal shall be prepared in accordance with the format established by the Program Coordinator.
- 5.4.3 To be eligible for reimbursement, no work is to be performed until a Reimbursement Agreement is entered into with the City. Work that has commenced prior to City approval is not eligible for reimbursement.
- 5.4.4 The City reserves the right to accept, reject or modify any application and render decisions in regard to complete applications as approvals, approvals with conditions and refusals.
- 5.4.5 Completed submissions (applications) shall be submitted to the Program Coordinator.
- 5.4.6 The application deadline and for each intake period shall be established annually, or as necessary, by the Program Coordinator.
- 5.4.7 Applications shall be reviewed by the Downtown Incentives Program Review Committee after the end of the intake period.
- 5.4.8 The Downtown Incentives Program Review Committee will be the approving authority.



- 5.4.9 The City's decision to approve an application is based on the project meeting the eligibility criteria of the program and on its compliance with the Downtown Incentives Program Guidelines.
- 5.4.10 Applicants are required to enter into a Reimbursement Agreement with the City which specifies work to be completed, the Hard Costs of the project, and the amount and conditions under which the City will provide a reimbursement. Detailed requirements of the Reimbursement Agreement are stipulated therein and include such variables as the general upkeep and maintenance of the patio.
- 5.4.11 A Reimbursement Agreement signed by the applicant must be received by the City within twenty (20) working days of notification of approval.

## **5.5 Construction Process**

- 5.5.1 All projects assisted by this program must be completed in a timely manner. The agreement will allow a maximum of six (6) months for completion from the time of approval notification. When it can be demonstrated that circumstances clearly beyond the applicant's control prohibited completion within six (6) months, the City may grant a six (6) month extension. Failure to complete the project in a timely manner will result in cancellation of the agreement at the discretion of the City.
- 5.5.2 The applicant shall be responsible for securing all the required construction permits from the City. Applicants may be considered for a waiver of City fees.
- 5.5.3 Final determination of the qualification of a patio is not made until the construction is complete and a review has been undertaken to assess the project against the applicant's previously approved proposal.

## **5.6 Reimbursement of Project Costs**

- 5.6.1 The amount of funds reimbursed shall be based on the project's actual Hard Costs.
- 5.6.2 City funds will be disbursed, as per the Reimbursement Agreement, once the post construction review has determined that the project matches the approved proposal and proof of project costs has been provided.
- 5.6.3 At the time a reimbursement request is made, no individual or business will be eligible for reimbursement if such entity is in default of taxes owing or an obligation funded by any other municipal program.
- 5.6.4 The applicant is responsible for payment to contractors. The City will not pay the contractors directly.

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## **DEMOLITION GRANT PROGRAM**

### **6.1 Applicability**

6.1.1 Applies to the demolition or removal of a building within the Downtown Incentives Program Boundary, as outlined in Schedule A (map) of Policy 316. Applicants may be considered for a matching grant and a waiver of City fees.

### **6.2 Eligibility Criteria**

6.2.1 The following requirements must be met by the applicant to be eligible for a grant:

- a) Be the property owner(s) or that person's legal representative; and
- b) Meet additional Application Requirements as specified by the Downtown Incentives Program Review Committee.

6.2.2 Funds are allocated subject to the conditions of Policy 316, this Procedure, and a review of proposed demolition for eligible reimbursement.

6.2.3 The City reserves the right to determine applicant participation in the Program on a case-by-case basis.

### **6.3 Application Requirements**

6.3.1 Applications submitted must include the following components:

- a) A completed Application Form;
- b) Photos that show the current site and its context; and
- c) Detailed estimates for Hard Costs including materials and labour. A minimum of two (2) quotes from two (2) separate contractors that indicate the cost of the project shall be provided.

### **6.4 Application and Review Process**

6.4.1 In conjunction with, or prior to, submitting an application, the applicant should review the Application Requirements and may consult the Program Coordinator regarding the application process, requirements, criteria, rules of eligibility, and other relevant details of the proposed project.

6.4.2 In order to ensure adequate and consistent review, the project proposal shall be prepared in accordance with the format established by the Program Coordinator.

6.4.3 The City reserves the right to accept, reject or modify any application and render decisions in regard to complete applications as approvals, approvals with conditions, and refusals.

- 6.4.4 Completed applications shall be submitted to the Program Coordinator.
- 6.4.5 The application deadline and for each intake period shall be established annually, or as necessary, by the Program Coordinator.
- 6.4.6 Applications shall be reviewed by the Downtown Incentives Program Review Committee after the end of each intake period.
- 6.4.7 The Downtown Incentives Program Review Committee will be the approving authority.
- 6.4.8 The City's decision to approve an application is based on the project meeting the eligibility criteria of the program and on its compliance with the Downtown Incentives Program Guidelines.
- 6.4.9 Applicants are required to enter into a Reimbursement Agreement with the City which specifies work to be completed, the Hard Costs of the project, and the amount and conditions under which the City will provide reimbursement. Detailed requirements of the Reimbursement Agreement are stipulated therein.
- 6.4.10 A Reimbursement Agreement signed by the applicant must be received by the City within twenty (20) working days of notification of approval.

## **6.5 Demolition Process**

- 6.5.1 All projects assisted by this program must be completed in a timely manner. The agreement will allow a maximum of twelve (12) months for completion from the time of approval notification. When it can be demonstrated that circumstances clearly beyond the applicant's control prohibited completion within twelve (12) months, the City will respect any extensions granted through the demolition permit process. Failure to complete the project in a timely manner may result in cancellation of the agreement at the discretion of the City.
- 6.5.2 The applicant shall be responsible for securing all the required construction permits from the City. Applicants may be considered for a waiver of City fees.
- 6.5.3 Final determination of the qualification of the project is not made until all the conditions of the demolition permit have been met.

## **6.6 Reimbursement of Project Costs**

- 6.6.1 The amount of funds reimbursed shall be based on the project's actual Hard Costs.
- 6.6.2 City funds will be disbursed, as per the Reimbursement Agreement, once the post demolition review has determined that the project matches the approved proposal and proof of project costs has been provided.

6.6.3 At the time a reimbursement request is made, no individual or business will be eligible for reimbursement if such entity is in default of taxes owing or an obligation funded by any other municipal program.

6.6.4 The applicant is responsible for payment to contractors. The City will not pay the contractors directly.

## **7. APPEALS**

7.1 Applicants may appeal a Downtown Incentives Program Committee decision by submitting a request to the Program Coordinator.

7.2 Appeals shall be considered by the Infrastructure & Economic Development Committee at a regularly scheduled meeting.

7.3 The Infrastructure & Economic Development Committee may choose to uphold, uphold with modification or overturn the Downtown Incentives Program Committees recommendation.

## **8. SPECIAL CONSIDERATIONS**

8.1 The Program Coordinator may make minor exceptions to the Downtown Incentives Program Guidelines.

8.2 The Program Coordinator has the sole authority to confirm completion of work. Certain work may be required or precluded as a condition of funding.

The following Guidelines and Application forms related to this Procedure are:

316-1-1 [Downtown Incentive Program Guidelines](#)

316-1-2 [Urban Residential Development Grant Application Form](#)

316-1-3 Façade Improvement Grant Application Form (unavailable at this time)

316-1-4 [Patio Grant Application Form](#)

316-1-5 [Demolition Grant Application Form](#)