Agenda - Executive Policy Committee – September 17, 2014

Report - Standing Policy Committee on Downtown Development, Heritage and Riverbank Management – September 8, 2014

Item No. 2 Deposits for Successful Applicants Under Live Downtown Rental Development Grant Program

STANDING COMMITTEE RECOMMENDATION:

On September 8, 2014, the Standing Policy Committee on Downtown Development, Heritage and Riverbank Management concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That in addition to the terms of the Live Downtown – Rental Development Grant Program approved on by Council on June 25, 2014 (Minute No. 580), the requirement that, within 90 days of receiving approval for one or more grants, the successful applicant must provide a deposit in the amount of $300 per residential rental unit, to be refunded to the applicant only when building permits consistent with the approved project are issued, be approved.

2. That the proper officers of the City do all things necessary to implement the intent of the foregoing.

Agenda - Executive Policy Committee – September 17, 2014

Report - Standing Policy Committee on Downtown Development, Heritage and Riverbank Management – September 8, 2014

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On September 8, 2014, the Standing Policy Committee on Downtown Development, Heritage and Riverbank Management concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: ***Deposits for Successful Applicants Under Live Downtown Rental Development Grant Program***

Critical Path: **SPCDDHRM – EPC - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
W Yee	B Thorgrimson	M. Ruta	M. Jack A/CAO

RECOMMENDATIONS

1. That Council approve, in addition to the terms of the Live Downtown – Rental Development Grant Program approved on June 25, 2014 (Minute No. 580), the requirement that, within 90 days of receiving approval for one or more grants, the successful applicant must provide a deposit in the amount of $300 per residential rental unit, to be refunded to the applicant only when building permits consistent with the approved project are issued.

2. That the proper officers of the City do all things necessary to implement the intent of the foregoing.

EXECUTIVE SUMMARY

This report recommends successful applicants under the Live Downtown Rental Development Grant Program pay a $300 deposit. Deposits are refundable when the applicant receives building permits for the approved project.

Deposits are required to ensure successful applicants are serious about the development. A similar requirement existed in the Downtown Residential Development Grant Program with successful outcomes.

REASON FOR THE REPORT

The initial report recommending the implementation of the Live Downtown RDP did not include reference to a deposit being required for successful applicants. Council's approval is required in order to impose a deposit requirement.

IMPLICATIONS OF THE RECOMMENDATIONS

Successful applicants would be required to provide a deposit of $300 per residential rental unit in the proposed project. When a building permit is issued for the project, the deposit is refunded. In the event the applicant drops out, the deposit is forfeited.

This new requirement is being proposed by the Public Service and is endorsed by the Province, which is partnering with the City in the Live Downtown Rental Development Grant Program. It is intended to address the concern that property owners will apply and be approved for grants under this program but then not be able or willing to proceed with the development. This would result in funds being unavailable for allocation to other projects. By being required to pay the proposed deposit, successful applicants will have an incentive to move ahead quickly with their projects.

HISTORY

The Live Downtown Rental Development Grant Program was approved by Council at its June 25, 2014 meeting.

FINANCIAL IMPACT

Financial Impact Statement Date: August 27, 2014

Project Name:

Deposits for Successful Applicants Under Live Downtown Rental Development Grant Program

COMMENTS:

There are no material financial implications associated with the recommendations contained in this report.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

CONSULTATION

Province of Manitoba:
- Local Government Department
- Housing & Community Development Department

City of Winnipeg Economic Development Division
Legal Services

SUBMITTED BY

Department: Planning, Property and Development
Division: Housing & Strategic Initiatives
Prepared by: Winston Yee
Date: *August 27, 2014*
File No. O: Reports Directive / Housing Development / RIS Deposits – Live Downtown Bylaw report