



ECONOMIC DEVELOPMENT ADVISORY COMMITTEE

MEETING AGENDA

December 6, 2021

6:00 p.m.

Virtual

CALL TO ORDER

1. ADOPTION OF AGENDA

2. MINUTES

- a. Approval of EDAC Meeting Minutes – September 7, 2021

3. DELEGATIONS

4. INFORMATION ITEMS

- a. Industrial Land Strategy Recommendations Report to Council – Karla Gould
- b. Red Tape Reduction Report to Council – Jamielinn Marvelous
- c. Economic Development Projects Update – Councillor Houston/Dave Walker
- d. Westwind Video – Councillor Houston

5. BUSINESS ITEMS

- a. 2022 EDAC Meeting Dates Schedule – Councillor Houston
- b. EDAC Annual Workplan 2022 – Dave Walker
- c. Proposed City Centre Storefront Improvement Program - Dave Walker

6. CLOSED SESSION

ADJOURNMENT



Economic Development Advisory Committee December 6, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:**1. ADOPTION OF AGENDA****PROPOSED MOTION:**

That the agenda be approved as presented.

BACKGROUND/ANALYSIS:

n/a

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

n/a



Economic Development Advisory Committee

Minutes of the EDAC Meeting
Held September 7, 2021
Virtual

Committee Members Present:

Councillor Erin Stevenson, Chair
Councillor Dave Oldham, Vice-Chair
Councillor Michelle Gruhlke
Robert Smith
Bruce Mullett
Kelly J. Rose
Victor Moroz
Charlene Bell

Also In Attendance:

Dave Walker, Manager, Economic & Business Development
Karla Gould, Economic Development Specialist
Jamielinn Marvelous, Economic Development Specialist

Regrets:

Braven Blackwell
Heather Shewchuk

CALL TO ORDER

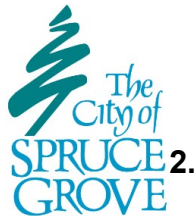
Chairperson Erin Stevenson called the meeting to order at 6:06 p.m.

1. ADOPTION OF AGENDA

a. No amendments, additions or deletions were made to the agenda.

2021-01 Moved by Victor Moroz that the agenda be adopted as amended.

Carried



2. MINUTES

a. EDAC Meeting Minutes – June 7, 2021

2021-02 Moved by Bruce Mullett that the June 7, 2021 EDAC Meeting Minutes be approved as presented.

Carried

3. DELEGATIONS

4. BUSINESS ITEMS

a. Industrial Land Strategy Recommendations Report – Councillor Gruhlke

2021-03 Moved by Anthony Worbeck that the Industrial Land Strategy Recommendations Report be approved as presented and the report be brought forward to City Council for consideration.

Carried

b. Red Tape Reduction Recommendations Report – Councillor Oldham

2021-04 Moved by Victor Moroz that the Red Tape Reduction Recommendations Report be approved as presented and that the report be brought forward to City Council for consideration.

Carried

5. INFORMATION ITEMS

a. Build-Out of Spruce Grove Fibre-Optic Network Update – Dave Walker

2021-05 Moved by Charlene Bell that the Build-Out of Spruce Grove Fibre-Optic Network Update be received as information.

Carried

b. Highload Corridor Update – Dave Walker

2021-06 Moved by Victor Moroz that the Highload Corridor Update be received as information as presented.

Carried

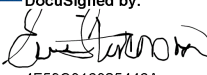


6.

CLOSED SESSION

The Economic Development Advisory Committee did not go into Closed Session.

Chairperson Erin Stevenson declared the meeting adjourned at 7:17 pm.

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CHAIRPERSON – ERIN STEVENSON

RECORDING SECRETARY



Economic Development Advisory Committee December 6, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:**2. APPROVAL OF MINUTES****PROPOSED MOTION:**

That the September 7, 2021 EDAC Meeting Minutes be approved as presented.

BACKGROUND/ANALYSIS:

n/a

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

June 7, 2021 EDAC Meeting Minutes

Economic Development Advisory Committee

December 6, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:

4. INFORMATION ITEMS

- a. Update on Industrial Land Strategy Recommendations Report to Council – Karla Gould

PROPOSED MOTION:

That the Update to the Industrial Land Strategy Recommendations Report to Council as presented be accepted as information.

BACKGROUND/ANALYSIS:

Spruce Grove retained Altus Group to develop an Industrial Land Strategy which was presented to Council on January 18, 2021. The purpose of the strategy was to determine ways to increase the supply of serviced industrial land in the City and set out a number of recommendations.

The City worked with the Economic Development Advisory Committee (EDAC) to develop an Industrial Land Strategy Recommendations Report based on the recommendations they believe are important for the City to pursue. These include:

1. Develop the City-Owned 18 Acre Industrial Site
2. Establish a High-Load Corridor in Spruce Grove
3. Separate Industrial Land Use Districts
4. Fibre-optics as an Engineering Standard
5. Potential for Future CN Rail Separated Crossing

The recommendations report was presented to Council as information on September 27, 2021 and Council referred to Administration for review and to report back to Council. A number of recommendations identified in the Report have since been acted on.

Develop the City-Owned 18 Acre Industrial Site

The lack of serviced industrial lots is impacting the City's ability to attract and retain industrial investment. Although the City should continue its engagement with land developers to encourage industrial development, it has been recommended that Spruce Grove develop and bring to market the City-owned 18 acre industrial site located in the Public Works Quarter.

The City retained Altus Group to develop a Development Concept and Market Feasibility Study to help the City establish feasibility of servicing the site for industrial use. The study is near completion and will be taken forward to Council early 2022 for decision.

Establish a High-Load Corridor in Spruce Grove

There are a number of companies in Spruce Grove that specialize in oversize-overweight (OSOW) loads. The lack of a high-load corridor in the City is not only impacting the retention and expansion plans of these companies, but constrains the City in the attraction of similar companies.

The City retained AI-Terra to develop an OSOW Feasibility Study which set out options for Spruce Grove to establish a high-load corridor that connects into the Provincial network. It was recommended that the City move forward with improvements to Jennifer Heil Way (JHW), and connect with HWY 16 to accommodate OSOW loads.

The JHW high-load corridor was included as an initiative in the 2020 Corporate Plan and as such was approved by Council on November 29, 2021.

Separate Industrial Land Use Districts

Spruce Grove has a single industrial land use district, M1 – General Industrial, that permits both light and medium uses. This does not allow for separation between businesses considered true industrial and those that are more commercial/office style. As this single zoning structure may be impeding efficient growth, it was recommended that Spruce Grove explore adding a second industrial zoning to potentially support more efficient growth of the industrial areas.

The City is intending to begin revision of the Municipal Development Plan (MDP) in 2022, which will likely result in a comprehensive Land Use Bylaw (LUB) update in 2024. The recommendation to add a second industrial zoning will form part of the MDP discussion, and if seen as a benefit, an MDP policy would direct the change.

Fibre-optics as an Engineering Standard

The City has recently entered into an agreement with Telus for the construction of a fibre optic network in the industrial and commercial areas, with construction underway. This resulted from an RFP that the City initiated in March 2021 whereby Telus was the successful proponent. When completed in 2022, this network will provide access for over 90% of the premises in the area to high speed connectivity.

The introduction of fibre optics as an engineering standard is currently under review by the City. This will be vetted through the Urban Design Institute (UDI) as part of the engagement with developers in making this change.

Potential for future CN Rail separated crossing

The CN Rail line is a factor that deters investment and effects the integration of the municipality. This will become more of an issue going forward as growth shifts south of Highway 16A and the length and frequency of trains continue to increase.

As such, it is recommended that the City look at options for a future separated grade crossing. This recommendation is under review.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

- Industrial Land Strategy Recommendations Report - EDAC

Report to City Council

Economic Development Advisory Committee

Recommendations – Industrial Land Strategy

Introduction

The Spruce Grove Economic Development Advisory Committee (EDAC) is pleased to present the following report to City Council. The purpose of this report is to provide City Council advice on the recommendations set out in Spruce Grove's Industrial Land Strategy (the Strategy).

Background

Economic Development Advisory Committee

EDAC is a Committee of Council which has an advisory role by making recommendations and providing strategic advice to Council on economic and business development matters in Spruce Grove. As per the EDAC bylaw, the committee is required to develop an annual work plan and may provide reports to Council which include recommendations on matters related to the mandate and annual work plan.

Industrial Land Strategy

To address the declining supply of serviced industrial land in Spruce Grove, the City retained Altus Group to develop an Industrial Land Strategy, which was presented to Council on January 18, 2021. The purpose of the Strategy is to determine ways to increase the supply of serviced industrial land in Spruce Grove and raise the City's industrial profile. The Strategy set out a series of recommendations which were categorized into the following two broad approaches:

- Incentivize investment by existing & new land developers to enhance the business case for developing industrial lands; and
- The City takes a more direct role in the acquisition and development of industrial land.

The City worked with EDAC to help prioritize the recommendations and discuss how best to move forward with implementation. To support the review process, a sub-committee was formed and, based on Spruce Grove's current competitive and economic position, identified a number of recommendations EDAC believes are important for the City to pursue. These recommendations are presented in the following section.

Recommendations

1. Develop the City-Owned 18 Acre Industrial Site

The lack of serviced industrial lots, specifically those 5 acres or larger in size, is impacting the City's ability to attract and retain industrial investment. The City should continue its engagement with existing and potential land developers to encourage industrial land development. There may be opportunities to incentivize new investment where appropriate.

However, it is also recommended that Spruce Grove develop and bring to market the City-owned 18 acre industrial site located south on Century Road in the Public Works Quarter. This

should start with the preparation of a concept plan and business case. This would allow new industrial land to be brought on stream in 2022 and provide the City with a pilot venture which may be useful in considering future options for expanding the supply of industrial land. This would not preclude partnering with a development company if there were strategic advantages in doing so.

2. Establish a High-Load Corridor in Spruce Grove

There are a number of companies in Spruce Grove that specialize in oversize-overweight (OSOW) loads. The lack of a dedicated high-load corridor in the City is not only impacting the retention and expansion plans of these companies, but constrains the City in the attraction of similar companies.

The City retained Al-Terra to develop an OSOW Feasibility Study which set out options for Spruce Grove to establish a high-load corridor. Although the preferred option is for the City to support the Province in the improvements to HWY 628 as a high-load corridor, it is anticipated that this is still 8 to 10 years out.

As it is not in the City's best interest to wait, it is recommended that the City move forward with the improvements to Jennifer Heil Way (JHW), north to HWY 16 to accommodate OSOW loads in the interim, while at the same time advocate the Province to accelerate the timing of HWY 628 improvements. Doing so will ensure our companies have access to the infrastructure they need to operate efficiently and to expand into new markets, as well as allow the City to compete for investment opportunities that may require highload access.

3. Separate Industrial Land Use Districts

Spruce Grove currently has a single industrial land use district, M1 – General Industrial, that permits both light and medium industrial uses. This does not allow for separation between businesses considered true industrial (industrial fabrication, transportation & logistics) and those that are more commercial, office style (retail & professional services, administration).

Separate districts may help attract higher density commercial office style developments that support growth in professional and technical service jobs and cluster compatible and complementary land uses, while separating uses that are not compatible. Additional benefits may also include more efficient permit approval processes, concession for separate development standards, and ensure that as more industrial land is brought on, there is a balance of parcel sizes to accommodate different uses.

There was also discussion about overall safety and accessibility in the industrial area, particularly for those who walk or bike. As two land use districts will allow for separate development standards, requirements of pathways and sidewalks could form part of the business park (light) zoning.

The majority of municipalities in the Edmonton Metropolitan Region have at minimum two industrial land use districts, which indicates that it could be a preferred structure. Spruce Grove should explore how this structure could potentially support more efficient growth of the City's industrial areas.

4. Fibre-optics as an Engineering Standard

Spruce Grove's industrial area is underserved in terms of adequate high-speed fibre-optic internet connectivity. It is recommended that the City introduce fibre optic connectivity as an engineering standard for new development in the industrial and commercial areas, and perhaps the broader community. Having access to a fibre optic network has become a key competitive factor in retaining and attracting investment and creating quality employment opportunities. The RFP recently initiated by the City to partner with an ISP provider is a good first step towards building out a municipal network.

5. CN Rail Line

The Industrial Land Strategy identifies the CN Rail line as problem, and EDAC agrees with these findings. Spruce Grove's recent annexation of lands will result in residential and industrial development taking place south of the tracks, while at the same time, the number and length of trains will continue to increase. The rail line is a factor that deters investment and effects the integration of the municipality.

It is recommended that the City look at options for a future separated grade crossing. While recognizing this would be a costly project to construct, it may be worthwhile to look at engaging the Alberta Government and CN Rail for discussions about how to address rail traffic through Spruce Grove in the future. In particular, the City should undertake planning around potential rights of way should a future separated grade crossing be constructed.

The recommendations by EDAC set out in this report are for consideration by Council. EDAC would appreciate any feedback and is open to exploring any of the recommendations in more detail.



Economic Development Advisory Committee December 6, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:

4. BUSINESS ITEMS

- b. Update on the Red Tape Reduction Report

PROPOSED MOTION:

That the update on the Red Tape Reduction Report presented to Council on September 27th, 2021 be received as information.

BACKGROUND/ANALYSIS:

The 2021 EDAC work plan, as approved by Council, included a review of Red Tape Reduction opportunities that would improve business competitiveness in Spruce Grove. EDAC formed a subcommittee to undertake this review and resulted in a report with recommendations that was approved at the EDAC meeting on September 7th, 2021.

This report was subsequently presented to Council on September 27th, 2021. Council received the report and referred it to Administration for review and further report back to Council on recommended actions. The recommendations contained in the Red Tape Reductions Report included the following:

1. The report and recommendations be referred to Administration for review and that Administration report back to Council on proposed actions.
2. The City consider adopting more of a facilitative approach and environment in dealing with development proposals. This 'facilitative approach' would help to guide clients through the approval process rather than the current situation where respondents often perceive the City as 'as gatekeepers.'

This 'facilitative approach' would start with a formalized pre-development meeting of all relevant departments and then a person assigned as the project manager or liaison in working through the approval and permitting processes.

3. The City needs to look at updating development standards as part of the next Land Use Bylaw review. In particular, the efficacy of the existing parking standards for commercial development needs to be considered as this will assist in making measurable progress in attracting new investment into Spruce Grove.



Economic Development Advisory Committee December 6, 2021

REQUEST FOR DECISION

4. As part of the move toward development paying more of the approval and administrative costs related to new development, there needs to be more visible accountability by the City on process timeframes and outcomes making start-ups for new business much more attainable.

The recommendations in the EDAC Red Tape Reduction Report have been included as input into the City's Planning Review which is now in progress. The Planning Review will result in a report with recommendations that will be submitted to Council for consideration by Q1 2022. The Review is being undertaken by a consultant and addresses a broad range of planning and development issues including timelines and standards, policy framework, customer service and stakeholder engagement. The recommendations from the EDAC Report will be cross-referenced to see how these are being addressed.

The City is also required to provide a Report to Alberta Municipal Affairs in early 2022 on what steps municipalities have taken to reduce red tape, improve business competitiveness and promote economic growth. The recommendations coming out of the EDAC Red Tape Reduction Report and the Planning Review will help inform our response.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

What We Heard Report EDAC – Red Tape Reduction Sub-Committee Report – Sept. 2021

Report to City Council
Economic Development Advisory Committee
Recommendations- Red Tape Reduction

Introduction

The Spruce Grove Economic Advisory Committee (EDAC) is pleased to present the following report to City Council. The purpose of this report is to provide City Council advice from the perspective of the EDAC Red Tape Reduction Sub-Committee.

Background

Economic Development Advisory Committee

EDAC is a Committee of Council which has an advisory role by making recommendations and providing strategic advice to Council on economic and business development matters in Spruce Grove. As per the EDAC bylaw, the committee is required to develop an annual work plan and may provide reports to Council which include recommendations on matters related to the mandate and annual work plan.

Red Tape Reduction

Bill 48: Red Tape Reduction Implementation Act, aims to remove needless red tape by one-third to reduce costs, speed up approvals, and save time, money, and resources. These efforts will help to streamline processes and make life easier for workers and businesses in Alberta.

Municipalities are required to make measurable progress in at least one of the areas:

1. Make it easier to start-up an new business
2. Streamline processes and shorten timelines for development and permit approvals
3. Make your municipality a more attractive destination for new investment and/or tourism

In order to receive funding under the Municipal Stimulus Program (MSP), municipalities were required to make measurable progress in at least one of the areas, develop a red tape reduction plan, and report it to Municipal Affairs by February 1st, 2021.

Furthermore, in May of 2021, City Council was presented with a Recovery Framework to Address Impacts of Covid-19. A key theme in this document is to find ways to reduce red tape and increase administrative efficiency to streamline services for a faster and more efficient return to operating status for business.

EDAC struck a sub-committee to work on this initiative. The committee created and circulated a Spruce Grove specific Red Tape Reduction Survey to gauge the varying perspectives of those who invest and are looking to invest in our community. The survey was circulated to various business owners and developers in Spruce Grove.

What We Heard Report – Red Tape Reduction

The comments on the feedback form from the survey are summarized into the following five broad categories. Quotes have been pulled from the survey to represent the perspectives shared.

1. Helping understand the approval requirements, timelines, and processes:

- “The applicant needs to be educated as to why the permitting process exists”
- “It seems that not everyone realizes that the City’s website is so helpful and complete”
- “We found that they just looked at one part of the application at a time. When they found a problem they stopped at that point”. We had to submit 3 or 4 times”
- “By-laws are overly complex and nearly impossible for a lay person to understand”

2. Move from a regulatory to facilitative approach in serving clients:

- “Adding the personal touch of someone who appears to be on your side would be a definite asset”
- “The City asked for a parking study. We had to pay thousands of dollars for an engineer whose report essentially concluded that “their software can manage parking”.

3. Building and fire code requirements- discretion of the inspector:

- “Forced to buy firelock from one company with no choice”
- “Miscommunication and no flexibility between the City and the electrical inspector”

4. Streamline approval and inspection processes:

- “Sometimes developments and approvals are delayed because we are told that City staff only conduct inspections on certain days of the week and some weeks are completely booked”

- “Have a dedicated representative assigned to assist anyone doing an application and work with them on completing all the paperwork they need and understanding the By-laws.
- “Currently have residential homes in permit review for two months. These homes are in new subdivisions with no abnormalities”

5. Review Standards set out in the Land Use Bylaw:

- “The biggest challenge that we encountered was parking requirements”
- “Signage for the City Centre must be updated to allow for perpendicular signage and allow for encroachments”
- “Minimum parking standards for commercial development are heavy handed and seemed like far too much for what the building would require”.
- “Many standards need to be updated to enable Spruce Grove to compete with other municipalities

Recommendations:

Based on Bill 48, the City of Spruce Grove Recovery Framework, and the information gathered and collected by the What We Heard Report, the Red Tape Reduction Sub-Committee recommends the following:

1. The report and recommendations be referred to Administration for review and that Administration report back to Council on proposed actions.
2. The City consider adopting more of a facilitative approach and environment in dealing with development proposals. This ‘facilitative approach’ would help to guide clients through the approval process rather than the current situation where respondents often perceive the City as ‘as gatekeepers.’

This ‘facilitative approach’ would start with a formalized pre-development meeting of all relevant departments and then a person assigned as the project manager or liaison in working through the approval and permitting processes.

3. The City needs to look at updating development standards as part of the next Land Use Bylaw review. In particular, the efficacy of the existing parking standards for commercial development needs to be considered as this will assist in making measurable progress in attracting new investment into Spruce Grove.
4. As part of the move toward development paying more of the approval and administrative costs related to new development, there needs to be more visible accountability by the City on process timeframes and outcomes making start-ups for new business much more attainable.

**Economic Development Advisory Committee
December 6, 2021**

REQUEST FOR DECISION

ITEM DESCRIPTION:

4. INFORMATION ITEMS

c. Economic Development Projects Update – Councillor Houston/Dave Walker

PROPOSED MOTION:

That the Economic Development Projects Update as presented be accepted as information.

BACKGROUND/ANALYSIS:

There are a number of economic development related activities and projects currently underway in Spruce Grove and this presentation is to provide an update on the status of these projects.

The presentation begins with an overview of housing starts and building permit values, and is followed by various development projects in the commercial and industrial sectors, as well as infrastructure related projects.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

n/a



Economic Development Advisory Committee December 6, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:

4. INFORMATION ITEMS

- d. Westwind Video by Mayor & Council – Councillor Houston

PROPOSED MOTION:

That the Westwind video be accepted as information.

BACKGROUND/ANALYSIS:

City Council prepared a video titled Westwind Land Development that was presented at the 2021 Economic Developers of Alberta (EDA) Xperience Conference & Summit. The topic was “How Partnerships Can Drive Innovative Approaches to Economic Development”.

The video showcases the unique approach the City took in securing a joint venture partnership to develop the Westwind area from what was a number of privately owned acreages into a consolidated commercial and residential hub.

The Westwind video was first presented to EDAC at the June 7th, 2021 meeting and is being presented again to inform Council members that were newly appointed to EDAC following the municipal election.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

n/a



Economic Development Advisory Committee December 6, 2020

REQUEST FOR DECISION

ITEM DESCRIPTION:

5. BUSINESS ITEMS

- a. 2022 Economic Development Advisory Committee Meeting Dates – Councillor Houston

PROPOSED MOTION:

That the 2022 calendar of regularly scheduled Economic Development Advisory Committee regular meeting dates be approved as presented.

BACKGROUND/ANALYSIS:

In accordance with the Economic Development Advisory Committee Bylaw C-1121-20, the Committee is required to establish a meeting schedule that specifies the date, time and place of all regular Committee meetings. The bylaw further sets out that the Committee is required to meet on a quarterly basis.

The approved meeting schedule will be posted on the City's website.

Additional meetings may be called by the Chair by giving at least 24 hours' notice to the members of the Committee and to the public by posting a notice on the City's website.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

2022 Economic Development Advisory Committee Meeting Dates

Economic Development Advisory Committee (EDAC) 2022 Meeting Schedule

2022 Regular EDAC Meetings

Tuesday, March 1

Monday, June 6

Tuesday, September 6

Monday, December 5



Economic Development Advisory Committee December 6, 2021

REQUEST FOR DECISION

ITEM DESCRIPTION:

4. BUSINESS ITEMS

- b. 2022 Annual Workplan - Walker

PROPOSED MOTION:

That the 2022 Annual Workplan be approved by EDAC as discussed.

That a member (name to be inserted) of EDAC be appointed to present the 2022 Annual Workplan to Council.

BACKGROUND/ANALYSIS:

In accordance with the Economic Development Advisory Committee Bylaw C-1121-20, the Committee is required to develop an annual work plan for Council approval that identifies key priorities and goals based on its mandate and bylaw.

The proposed 2022 Workplan is focused on collaborating with the City's Economic and Business Development Department to update of the Economic Development Strategy and Action Plan 2017-22. The intent is to have an updated 5-year strategy covering the period 2023-28 presented to Council for approval by year-end 2022. This will provide an opportunity to assess the results of the current strategy and key changes in the economic environment brought on by Covid, the emergence of Edmonton Global, transition of a low carbon economy and the impact of transformational technologies.

Following is a high level outline of what the workplan would entail. It is intended for discussion and would then lead into development of a detailed terms of reference.

Key Issues to be addressed by the Strategy Update 2023-28

- Assessment of the results generated by the 2017-22 Economic Development Strategy.
- What should be our key objectives and targets for the next 5 years?
- What is our brand as seen by external investors, developers and businesses?
- Our place in the Edmonton metro region and the emergence of Edmonton Global.
- What are the long-term impacts of Covid on business going forward?



- Impact of key technology changes including digitization and artificial intelligence, transition to a low carbon economy and regulatory changes related to climate action.
- How can we best support business retention and expansion?
- How competitive is Spruce Grove in attracting new investment?
- How does the City address the lack of serviced industrial land?
- What are the sectors/industries that we should be pursuing and what needs to be done to be successful?
- Are there infrastructure gaps that need to be addressed?
- How is the Updated Strategy going to be measured in terms of whether it is working?
- Other key issues to be identified.

The next steps will be to receive input from EDAC and then develop a detailed terms of reference for the project. Once this is done, the plan is to proceed with securing a lead consultant in early 2022.

FINANCIAL IMPLICATIONS:

n/a

ATTACHMENTS:

EDAC Annual Workplan Summary

ECONOMIC DEVELOPMENT ADVISORY COMMITTEE (EDAC) WORKPLAN FOR 2022

At the start of every year, EDAC prepares an Annual Workplan which is presented to City Council for approval. The Workplan encompasses the issues that EDAC will work on during the year and subsequently report to Council. Council may also from time to time ask EDAC to provide advice on specific issues that may arise.

The proposed 2022 Workplan is focused on collaborating with the City's Economic and Business Development Department to update of the Economic Development Strategy and Action Plan 2017-22. The intent is to have an updated 5-year strategy covering the period 2023-28 presented to Council for approval by year-end 2022. This will provide an opportunity to assess the results of the current strategy and key changes in the economic environment brought on by Covid, the emergence of Edmonton Global, transition of a low carbon economy and the impact of transformational technologies.

It is proposed that the format and structure of the updated report will be similar to the current strategy as it has been very well received. Council has approved a budget to undertake the project and this will be used to retain consulting expertise as needed and we anticipate bringing on a lead consultant with significant international experience. There will also be a priority on stakeholder and public consultation to ensure there are opportunities for broader engagement with the business community and residents.

Following is a high level outline of what the workplan would entail. It is intended for discussion and would then lead into development of a detailed terms of reference.

Key Issues to be addressed by the Strategy Update 2023-28

- Assessment of the results generated by the 2017-22 Economic Development Strategy.
- What should be our key objectives and targets for the next 5 years?
- What is our brand as seen by external investors, developers and businesses?
- Our place in the Edmonton metro region and the emergence of Edmonton Global.
- What are the long-term impacts of Covid on business going forward?
- Impact of key technology changes including digitization and artificial intelligence, transition to a low carbon economy and regulatory changes related to climate action.
- How can we best support business retention and expansion?

- How competitive is Spruce Grove in attracting new investment?
- How does the City address the lack of serviced industrial land?
- What are the sectors/industries that we should be pursuing and what needs to be done to be successful?
- Are there infrastructure gaps that need to be addressed?
- How is the Updated Strategy going to be measured in terms of whether it is working?
- Other key issues to be identified.

The next steps will be to receive input from EDAC and then develop a detailed terms of reference for the project. Once this is done, the plan is to proceed with securing a lead consultant in early 2022. The consultant should have broad experience in site location, an understanding of economic and innovation ecosystems, experience in multi-jurisdictions and a reputation for outside the box thinking.



Economic Development Advisory Committee December 6, 2021

REQUEST FOR DECISION

5. BUSINESS ITEMS

C. Proposal for a City Centre Storefront Improvement Program.

PROPOSED MOTION:

1. That Council proceed with the approval of a City Centre Storefront Improvement Program in the 2022 budget year.
2. That a budget of \$75,000 be approved for the program to remain in place until the funds have been expended.
3. That grant funding be up to \$7,500 per storefront and up to \$10,000 for a corner property subject to a matching contribution by the applicant.

BACKGROUND/ANALYSIS:

A proposal was made as part of the 2022 Corporate Plan to establish a City Centre Storefront Improvement Program. Council deferred a decision on the proposed program and asked that it be referred to EDAC for its input and recommendation. Consultations have already taken place with the City Centre Business Association. The proposal will be revisited by Council as part of the Spring budget adjustment.

Based on the findings of the research undertaken on storefront improvement programs, Spruce Grove is one of the fewer municipalities in Alberta that does not offer this type of incentive. It is recommended that the City establish a storefront improvement program that would include the following parameters.

- A program be designed to incentivize property owners and businesses to undertake façade and landscape improvements to improve the street appeal of their properties.
- The program should be limited to the boundaries of the City Centre Business Improvement Area. This focuses on the oldest commercial area of the City and supports the City Centre Revitalization initiative now underway.
- The amount of the grant incentive be up to \$7,500 for street front properties and up to \$10,000 for corner properties. This will require a minimum matching contribution by the



property owner.

- A key objective of the program is to leverage the amount of the grant funding and this would be considered in reviewing the funding application.
- The storefront improvement program be funded at the initial level of \$75,000 and this amount would remain in place until the funds have been expended.
- It is anticipated that many of the improvements will need a Development Permit, which will become part of the application approval process.

FINANCIAL IMPLICATIONS:

Establish a storefront improvement budget of \$75,000 to remain in place until the funds have been expended.

ATTACHMENTS:

1. Proposal for a Storefront Improvement Program and Inventory of Alberta Programs
2. Spruce Grove City Centre Storefront Improvement Program Considerations – Report from FBM

Proposal for a City Centre Storefront Improvement Program

Storefront improvement programs are used by many Albertan urban municipalities to promote reinvestment in properties. These can be part of specific revitalization initiatives or more general in application intended to improve the appearance and appeal of older, commercial properties. Attached is an inventory of Alberta storefront improvement programs which demonstrate both their popularity as well as differences.

Some of the key considerations in the design of these programs and specifically how it could be applied in Spruce Grove follow.

- There are over 20 programs across the province and that they have a long history.
- Most of these programs target façade improvements of a relatively modest nature. Although, some communities, particularly larger ones, offer tier programs, which provide much larger incentives for major renovations and redevelopment.
- Most of the programs provide grants of between \$5,000-\$10,000 based on a minimum matching contribution by the applicant. The experience has been that in many cases, there is better leverage of 3 to 5 times incentivized by the grant.
- Often, grant applications are less than the maximum value allowed under the program and are geared to the scale of improvements contemplated by the property owner.
- While some communities have experienced a slowdown in the take-up rate due to COVID-19, many have also reported no slowdown or no reduction in the take-up rate. This has largely been attributable to where there has been a robust communication plan and engagement with property owners.
- These programs are typically established with a vested funding amount which remains in place until this amount has been committed. At that point, there is an opportunity to replenish funding. This also provides an opportunity to make any changes to the program as needed.
- Storefront improvement programs provide an incentive to businesses and property owners to improve their storefronts and beautify their surroundings. These can include changes to painting, cladding, brickwork, windows, doors, signage, lighting, as well as the addition of flowers and other décor.

Based on the findings of the research undertaken on storefront improvement programs, Spruce Grove is one of the fewer municipalities in Alberta that does not offer this type of incentive. It is recommended that the City establish a storefront improvement program that would include the following parameters.

- A program be designed to incentivize property owners and businesses to undertake façade and landscape improvements to improve the street appeal of their properties.
- The program should be limited to the boundaries of the City Centre Business Improvement Area. This focuses on the oldest commercial area of the City and supports the City Centre Revitalization initiative now underway.
- The amount of the grant incentive be up to \$7,500 for street front properties and up to \$10,000 for corner properties. This will require a minimum matching contribution by the property owner.
- A key objective of the program is to leverage the amount of the grant funding and this would be considered in reviewing the funding application.
- The storefront improvement program be funded at the initial level of \$75,000 and this amount would remain in place until the funds have been expended.
- It is anticipated that many of the improvements will need a Development Permit, which will become part of the application approval process.

Attached is a summary of twenty programs across Alberta that have been implemented to help revamp and beautify the exterior storefronts of the business community. The programs below outline levels of funding, type of applicants encouraged to apply, and the uptake they have experienced to date.

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Brooks Business Beautification Program

This [program](#) encourages and provides businesses with the opportunity to improve the appearance of their premises, where businesses can receive a beautification loan and grant to enhance their look.

Businesses can apply for up to \$10,000 in funding, of which 80% would be an interest free loan and 20% would be a grant. Successful applicants could receive up to an \$8,000 loan and a \$2,000 grant. Applications remain open.

Business owners are encouraged to apply.

Their program began in the spring of 2020; however, they witnessed very little uptake. They saw a huge bump in 2021 to the point where they re-committed to the program and added additional funding to it. They think it is because they had stronger marketing in 2021 and businesses felt more confident. They had 12 businesses apply for 2021. Most applied during warmer seasons.

Camrose Façade Improvement Grant

The City of Camrose invested up to \$25,000 towards this [grant](#) into improving infrastructure within the business community.

This funding program allowed small businesses to be eligible for up to \$4,000, 50% matching grant for Façade Improvement. Applications closed on April 16, 2021.

Business owners are encouraged to apply.

Crossfield Downtown Façade Grant Program

This [one-time grant](#) provides financial incentives to property owners /tenants and seeks to stimulate private sector investment in the revitalization of existing commercial and mixed-use buildings in the Downtown Revitalization Plan Area. The program focuses on improvements to the front façade and building elevations that can be seen from the street.

The Town will fund up to 50% of eligible project costs, up to a maximum of \$10,000 (exclusive of GST) to help property owners improve their exterior appearance and/or exterior structural quality of their building.

Property owners or main floor commercial tenants are encouraged to apply.

Drumheller Building Enhancement Grant Program

This [grant](#) replaced the previous Storefront Improvement Grant and the Interior Building Improvement Grant. This grant encouraged local businesses to enhance their buildings by

modernizing and improving appearance, while helping business owners reduce the financial burden associated with making improvements to the exterior or interior of their building.

The grant funded up to 50% of the renovation costs to maximum grant of \$5,000 for any one business for either an exterior or interior enhancement. Applications closed on April 30, 2021.

The business owner must fill out an application form available. If you are a tenant, you must provide written documentation from the building owner stating that they approve of the proposed improvements.

In 2021, they received 14 applications in total, which was an increase from 2020. There was a lot of interest this year in the program considering that there were 3 other businesses who inquired about the program, but they were ineligible since they had completed the work before applying. Since applications closed in the spring, they had 4 businesses inquire about next year.

Edmonton Business Improvement Area Grants

This [program](#) includes the following:

Storefront Improvement Grant - a matching reimbursement grant for large, impactful exterior renovations, up to 50% of project costs. Mid-block buildings may be eligible for up to \$25,000. Corner buildings may be eligible for up to \$50,000. The most recent application period took place back in September 1-30, 2021.

To apply, you must be the **property owner** or **someone approved by the property owner** to act on their behalf.

Storefront Refresh Grant - a matching reimbursement grant for small exterior renovations, up to a maximum of \$1,000 per building. Applications are accepted on a first-come first-serve basis until funding is fully allocated.

Interior Building Improvement Grant - a matching reimbursement grant for interior renovations, up to 50% of project costs to a maximum of \$20,000.

Development Incentive Program - support of up to a maximum of \$100,000 for constructing new commercial buildings and a maximum of \$200,000 for constructing new mixed-use developments. The most recent application period took place back in October 1-30, 2020.

Fort Saskatchewan Storefront Improvement Incentive

This [incentive](#) encourages business owners and commercial property owners to enhance their storefront by improving the visual aesthetic of property and adjoining streetscape, increasing sales and traffic, and encouraging business owners and commercial property owners to invest in their property for long-term viability.

The maximum funding is 50% of eligible costs to a maximum allocation of \$10,000 per application. Individual Units within a Multi-Unit Building are each eligible for assistance, to a maximum of \$30,000 per Multi-Unit Building within a 3 year period. Funds are allocated at the discretion of the Business Development Incentive Review Committee based on the maximum amount under the Program, available funds, as well as the scope and nature of the project. The deadline for applications took place on November 1, 2021.

Applicants must be the owner of the property and/or business, or their legal representative.

Over the past 18 months, their Business Incentive applications are through the roof. Mostly because of the pandemic, but also due to the increased amount of marketing and communication that has been geared towards the business community about their available programs during COVID-19. Their Storefront Improvement Grant has stayed stable. In 2019 during pre-COVID-19 times, they approved 2 storefront improvement incentives with 1 in 2020 and 4 in 2021. The pandemic did not typically lead to an increase in this, but rather awareness of the program and ease of access have made the difference in the uptake.

Grand Prairie Beautification & Patio Grant

This [grant](#) acts as an immediate economic driver by providing local employment and business for local trades and suppliers, as well as enhancing building aesthetics to contribute to the beautification and vibrancy of the city.

It is a 50% matching grant for up to a maximum \$15,000 for any façade improvement, landscaping, or patio project that improves aesthetic appeal, pedestrian access, and safety of a commercial, retail, or mixed use building. Applications remain open until funding has been allocated.

Business owners can apply; however, a signature from the property owner will be needed.

This grant was launched during the pandemic for any business in the City to apply. They had a great uptake on the grant with 25 businesses applying. They did see changes in some of the projects and applications as restrictions with COVID-19 have changed. They had several restaurants create patios during the periods where dining was only allowed outdoors. On another note, almost every application encountered long waits on quotes and finding companies that had the man power to complete the projects. As a result, some projects underwent delays. The reimbursements that they had given back for the grants is almost \$330,000 and the total investment from the businesses for these projects is over \$1M. Great work has been done.

Grand Prairie Façade Improvement Grant

This [grant](#) incentivizes downtown building owners and tenants to make improvements to the fronts of their buildings. In addition to improving the appearance of the building, these upgrades will provide benefits to the pedestrian realm.

It is a matching grant that will provide 50% of the project cost up to the lesser of \$750 per Front Foot or a total of \$50,000 for Façade Improvement Projects in the Downtown Incentives Program Boundary. Applications are open until the end of the year, or until funding runs out.

Building owners and tenants making improvements to the fronts of their buildings can apply; however, a signature from the property owner will be needed.

The feedback from Grand Prairie was positive about the Façade Improvement Grant. This program comes and goes with the focus being on downtown. It was brought back during the pandemic and during their Phase 4 of construction within the downtown area. This year, they allowed businesses directly impacted by construction to access back alley beautification. Seven businesses applied for this grant with a few of them looking at back alley beautification. They also experienced concerns with delays in quotes and contractors being short staffed.

Lacombe Downtown Storefront Enhancement Program

This [program](#) provided an incentive for downtown business owners to invest in facade renovations and some interior upgrades. The improvements were intended to complement initiatives recommended within the Downtown Area Redevelopment Plan (DARP).

It encouraged and provided businesses located within the DARP with an opportunity to improve the appearance of their businesses, utilizing grant dollars, up to a maximum of \$2,000. Applications closed on April 9, 2021.

The applicant must be either the property owner or a designated person who has the written authority from the owner to submit the application and/or so administer this project.

Leduc Storefront Improvement Grant Program

This [program](#) provided individual matching grants to downtown businesses, allowing them to upgrade the exteriors of their business. Initially, it focused on the downtown core and Phase 2 of the project expanded the boundaries to include all of Main Street, up to the Highway 2 overpass. The project coordinators came to council with the request to expand further after receiving feedback from business owners. It has been expanded to include additional properties on 52 Avenue and 49 Avenue.

The program was for the downtown core and was a matching grant of up to \$10,000.

Business owners were encouraged to apply for it with written support of the building owner. For the most part, the building owners did the applying.

The program was discontinued after 2019. There are discussions to bring back a version of the program with some refinements as part of their Urban Center Revitalization Plan. However, depending on senior government support, it is unlikely to happen before 2023.

Lethbridge Urban Core Property Improvement Grant Program

This [program](#) encourages improvements in the urban core, including: quality façade improvements, permanent interior and exterior space improvements, rehabilitation of key aspects that support the functionality and re-use of buildings, and barrier free/accessibility improvements.

Project funding is limited to a maximum of 50% of eligible project costs to a maximum of \$100,000 that must be matched by the property owner. Applications remain open.

No preference is specified; however, the application process involves a lot of questions revolving property information, which may be easier for a property owner to fill out.

Medicine Hat Waterfront District Vibrancy Incentive

This [incentive](#) was designed to provide financial assistance to property owners undertaking commercial property improvements which add to the vibrancy and livability of the Waterfront District.

The incentive was a 50% matching incentive, to a maximum of \$50,000 per property. It was available on a first-come, first-served basis. Incentive disbursement was to commence upon completion of the eligible improvements.

Only commercial property owners located within the Waterfront District are encouraged to apply.

This incentive was launched during the pandemic and the spots filled up very quickly. They received significant effects and their downtown area underwent positive differences. For example, they added many lights. Therefore, all of the darker areas have improved. They also now have unique decor such as an ice cream outdoor area. They will kick-start this incentive again in January 2022 due to its success.

Morinville Storefront Improvement Program: Restore the Coeur

This [program](#) provided businesses with an opportunity to enhance their commercial storefront for the purpose of improving the visual aesthetic of properties identified in the improvement zone and increasing sales and foot traffic to facilitate future investment.

It funded up to 50% of eligible costs, to a maximum of \$10,000 per property. The amount of eligible funding was determined based on the following criteria: benefit to the business, size and scope of project, and visual aesthetics of the project. Applications opened on February 5, 2020 and closed on April 30, 2020. All projects had to be completed by December 31, 2020. Funding for the grant was removed for 2021 and is expected to continue in 2022.

The property owner, or someone approved by the property owner to act on their behalf can apply. If the applicant is not the registered owner of the property, authorization is required and signed off by the registered owner.

The program was put into abeyance in 2021. There was and continues to be interest in the program from the business community, which will be reviewed again during budget deliberation.

Red Deer Façade and Shop Front Improvement Program

Applications for this [program](#) remained open on a first-come, first-serve basis until the funding got depleted. It offered the following tiers:

Tier 1: Signage: Funding to cover one-third of the costs associated with new signage, up to a maximum of \$1,000. In order to qualify for the maximum amount in this tier (\$1,000), the total cost of the project must meet or exceed \$3,000. This tier cannot be combined with any other.

Tier 2: Renovations: Funding to cover up to 50% of the cost of eligible renovations, up to a maximum of \$5,000 (or up to \$10,000 for buildings with two street-facing façades). Tier 2 excludes signage.

Business owners within the Business Revitalization Zone (BRZ) are encouraged to apply.

The uptake was lower than expectations last year, which was attributed to the impacts of COVID-19.

St. Albert Beautification Program

This [program](#) encourages merchants to think of the sidewalks fronting their shops as extensions of their window displays, or as entry halls to their stores by adding flowers, trees, outdoor furnishings, perpendicular signage, bike racks, and more.

This program is grant-based, with each merchant being able to apply for funding up to 50% of the cost of approved program elements, up to a maximum of \$2,500 per element. Applications are open on a first-come, first-served basis and will be processed in the order in which they are received, as there are limited funds allocated to this program.

The applicant should be the person that will be responsible for the Ownership of the Improvement, which would likely be the business owner.

Applications and grant funding during in 2020/21 have been lower than the 2017-2019 period due to the impact of COVID-19. Because of capacity limitations placed on restaurants, the program was expanded to include patio furniture for summer patios. The program encourages the beautification of St. Albert's commercial areas by providing for grants to offset the costs of placing decorative improvements outside local business premises.

Taber Beautification Program

This [program](#) offers businesses in the MD Taber Region an opportunity to receive a beautification loan and grant to enhance the appearance of a business.

Businesses can apply for up to \$10,000 in funding of which 80% would be an interest free loan and 20% would be a grant. Successful applicants could receive up to an \$8,000 loan and a \$2,000 grant.

The program provides an incentive for local business owners to invest in façade renovations and interior upgrades.

The uptake for 2021 has been good. They have had 10 businesses apply, which is the maximum number for their program in particular due to funding capacity. They currently have a waitlist for businesses that are excited and wanting to apply in the next year once the program reopens.

Wetaskiwin Downtown & Automile Façade Improvement Grant

This [grant](#) is designed to encourage owners of commercial businesses and property to enhance their commercial storefronts to attract patrons. Clean, interesting, and well-maintained facades and patios help create vibrancy and a welcoming environment.

It is a matching grant that will provide 50% of the project cost up to a maximum of \$5,000 per property with a funding cap of \$20,000 for 2021. The grant opened on May 3, 2021 and closed on July 9, 2021.

The applicant must either own or be a tenant of the commercial property which will be improved. If the applicant is the tenant, written authorization from the registered property owner is required.

The program was established in 2019 and has had good uptake. However, with the pandemic, there has been a slight decrease in the number of applications. They will offer the program again in 2022. The overall view is that it has been great for them to see improvements that the participating businesses have completed and the businesses have been very appreciative of the opportunity. They plan to amend next year's program by clearly outlining that sidewalks and paving are not associated with improvements and are ineligible, since several businesses have applied looking to repave.

Whitecourt Vitalization Grant Program

This [program](#) assists property owners in downtown and along Highway 43 with upgrading the façades of their buildings to meet Whitecourt's architectural theme. It was established to offer local businesses and organizations additional financial support to enhance the exterior appearance of their business or property.

Applicants could receive up to \$10,000 to enhance the exterior appearance of their business/property to match the newly adopted architectural wood/stone theme. The wood/stone theme was adopted in the Whitecourt Vitalization Plan which acts as a guide for our community over the next several years to revitalize downtown and beautify the Highway 43 corridor.

Property owners are encouraged to apply.

The program was established in 2016 and the take-up rate has varied widely from year to year. There was a significant increase in applications in 2021. As per their policy, they only award the money after the work has been completed and not all applicants complete the work. Their policy does allow new developments to apply.

Wood Buffalo Façade Improvement Grant

This [grant](#) provides a financial incentive to encourage façade improvements to existing commercial, institutional, mixed-use, and apartment buildings located in the downtown. Façade improvements can yield significant returns through small investments.

This grant is a matching reimbursement grant, to a maximum of:

- \$75,000 per building for eligible projects under the Comprehensive Façade Improvement Grant, or
- \$25,000 per building for eligible projects under the Simple Façade Improvement Grant.

A "matching" grant means that the Municipality will pay for half of the eligible costs to the maximum allowed by the Grant. A "reimbursement" grant means that applicants receive funding after their projects are complete and verified by the Municipality.

Property/building owners are encouraged to apply.

They are one of the most generous in terms of funding because of taking into account the scale of some of the buildings as well as cost of getting work done. They are beginning to see some changes on the exteriors of a retail mall, car dealership, and others. They did a downtown blitz, where they visited as many businesses as possible to raise the profile on the grants as well as conducting many pre-application meetings, which helped the program gain awareness. In 2021, they have received 46 applications for the façade improvement grant and about 31 of the businesses have already been approved, while the others are still in review.

people driven design.



STOREFRONT IMPROVEMENT PROGRAM

CONSIDERATIONS FOR SPRUCE GROVE CITY CENTRE



NOVEMBER 2021

ATTN: Dave Walker

Director, Economic & Business Development
City of Spruce Grove
315 Jespersen Avenue
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Dear Dave

Re: City Centre Storefront Improvement Program

We are pleased to provide you the attached Summary Report documenting considerations and recommendations for a Storefront Improvement Program in the Spruce Grove City Centre.

We are open to any feedback or questions you may have regarding the findings and their implications for the City of Spruce Grove as it looks towards the possible implementation of a program as part of the City Centre Area Redevelopment Plan.

Respectfully submitted,

Yours very truly,



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Introduction

This memo contains an overview of considerations and recommendation for the introduction of a Storefront Improvement Program (SIP) in the Spruce Grove City Centre (SGCC), as part of implementing the recently adopted City Centre Area Redevelopment Plan (CCARP).

It is assumed that the budget for such a program is approximately \$75,000 and funds will be administered by the City of Spruce Grove for a geographic area that matches the boundary of the City Centre Business Association (CCBA). The program will be designed in consultation with the CCBA but it will be a City program intended to implement the goals of the CCARP. Such a program may either be a one-time investment or it may be sustained and topped up to support a continued renewal.

Spruce Grove is one of the few urban centres in the province that doesn't currently have a SIP and does not have experience with a SIP. Experiences in other jurisdictions has shown that SIPs are beneficial to building owners, business owners, and the community at large. SIP grants offer the encouragement for building and business owners to take on improvements that they would not otherwise do during a particular year, if at all. Building investment in Spruce Grove continued in the years 2020 and 2021, despite material shortages and the impact of the pandemic on retailers, with near record levels in building permits in 2021 demonstrating that Covid recovery is underway and investment is strong. This indicates that we can expect to see recovery continue into 2022, along with alleviation of material shortages. As a result there may be strong interest in such a program in Spruce Grove, which can help to refresh an aging building stock, as part of the overall vision and intent of the recently adopted CCARP as well as ongoing active investments in the McLeod Avenue Streetscape and new Columbus Park. Other municipalities that have actively undergone city centre or downtown area redevelopment plans or revitalization strategies have found that the initial wave of program uptake is high and creates a positive competitive culture. The longevity of takeup is often more a reflection on the success and community buy-in early on, more so than a waning interest over time.

Program objectives

The table below outlines some of the objectives that can encourage building owners, business owners and the municipality/greater community to support the investments associated with a SIP.

Storefront Improvement Program (SIP) Objectives	Interested party		
	Building Owners	Business Owners	Municipality and Greater Community
Increase sales and traffic for business owners and commercial property owners in the downtown area, which is home to a variety of independent businesses		X	X
Encourage a higher general standard of storefront maintenance in the City Centre, including with a consideration of CPTED and accessibility goals and principles	X	X	X
Help attract new types of business that will increase pedestrian presence on the streets – increasing and improving “window shopping” and “curb appeal” for the City Centre as a whole		X	X
Introduce new features and amenities for interest and vibrancy that reflect community aesthetic, pride or corresponding public space and streetscape enhancements		X	X
Support the goals of the CCARP by fostering stability and renewal of existing businesses in the City Centre, thus reducing vacancy and turn-over	X	X	X
Help landlords with vacant stores make upgrades to attract tenants	X		
Leverage investment by tenants or property owners			X
Support property owners to complete deferred maintenance or upgrades, such as painting, and to make investments that contribute to long-term viability where they may not make such upgrades otherwise	X		
To align with pandemic related objectives for example, through outdoor seating or take-out windows (noting that other programs may also be in place to assist retailers with pandemic recovery)		X	X

Level of funding

A SIP offers 50% matching grants, payable after work is completed. This level of funding spurs work but ensures business and building owner applicants have a vested interest financially through significant private investment. Even though the grant covers up to half of costs, the experience of SIPs in Canada reveals a typical leverage of higher than 1:1 investment by the private sector. While this is not guaranteed, a 3x contribution is more often seen, as projects go ahead that either exceed program caps or go beyond the originally quoted price or scope under which funding was approved. This means that a \$75,000 municipal grant investment is likely to see a total project investment by private sector of approximately \$225,000, for a total project value of approximately \$300,000.

A grant cap of \$5,000 to \$10,000 is an appropriate level of funding. This is typically calculated on a per storefront basis, and the cap may be increased to double for corner buildings or buildings with two storefronts, or up to triple for projects involving three or more storefronts. If assuming a grant cap of \$7,500, this means that a \$75,000 program will support at least 10 storefront improvements. Where there are approximately 170 businesses registered within the City Centre Business Association, this means at least approximately 6% could apply for the program. While some applicants will seek out the maximum grant amount, many apply with smaller projects, and so the program budget may extend further than this.

SIPs should have some level of flexibility to support a variety of sized projects, with both minor “maintain and beautify” and major “transformational” upgrades supported. Both large and small projects are beneficial, and the program should not necessarily preference one over the other, though larger funding applications should be held to a higher standard for level of detail and scale of upgrades. Larger municipalities with higher funding levels sometimes have tiers for funding for “simple” improvements, which may consist of only 1 upgrade item, and “complex” projects, which consist of several coordinated upgrades for a comprehensive refresh of a storefront with the latter having more stringent application requirements and a higher funding cap. Façade programs at the level of \$5,000 to \$10,000 are typically the entry point and are intended for limited improvements.

Eligible applicants

Eligible applicants for the SIP would be building owners or tenants with building owner’s written permission. An applicant must meet the following requirements:

- A valid business license
- Up-to-date on property taxes and municipal utility bills
- Conformance with zoning
- Not being subject to an unresolved enforcement order, such as a Stop Order
- Not being party to a legal dispute with the Municipality

Eligible buildings

To be eligible, buildings should contain one or more ground level commercial uses (either occupied or vacant). Applications are more typically made for the building as a whole, though the program may permit a single storefront to be subject of an application, if the intended improvements are appropriately unique to the storefront.

Assuming programs are well advertised through the CCBA and that there is capacity in the private sector to take on improvements during the program timeline, program launch years typically see a high level of interest as the program spurs owners to make improvements. This is especially true if the program is created in response to business stakeholder feedback requesting such a program. In some cases, the number of qualifying applications outstrips funding and the process becomes competitive or first-come first-served.

Programs that remain funded in ongoing years should be open to move and adapt annually, considering that needs will shift and that some of the original objectives and applications may have been fulfilled. This can be through expanding the geographic area, as was the case in Grande Prairie as part of its ongoing

Downtown Revitalization, or through expanding the project types that are permitted, for example through allowing back alley improvements, or improvements to multi-family or institutional uses.

Eligible Work

Typically, the following expenses are eligible to be reimbursed under a SIP:

- Professional services (sometimes to a maximum of 15% of project costs)
- Direct project labour costs
- Materials and supplies (including shipping and freight, rental of tools and equipment)
- Municipal planning permit fees
- Façade cleaning, painting and recladding
- New or restored masonry and brickwork
- Restoration or addition of exterior architectural features
- New or replacement windows, doors and entrances, including their reconfiguration (extensions are excluded)
- New or replacement weather protection, including awnings and canopies
- Accessibility features, including ramps, handrails and wider or automated exterior entrance doors
- New exterior lighting
- Signage (as permitted in the Land Use Bylaw and included with other upgrades, not funded on its own)
- Flowerpots, window boxes and hanging baskets

The following items are typically ineligible:

- Work considered to be routine maintenance
- Insurance and warranty
- Non-specific costs, including profit and contingencies
- Cost overruns or changes to scope
- Adding window tints or treatments
- Vinyl wraps, security bars and rolling shutters on windows or doors
- Structural repairs
- Roof repairs or replacements

The façade project typically must front the public road. If the building's main entrance fronts towards another direction, such as a parking lot, it may be eligible. Consider not permitting the same building to reapply to the same program for at least 5 years.

Assessment criteria

Clear criteria for the program must be determined and outlined in a Program Guide's Objectives or Design Guidelines. While the City of Spruce Grove's current Land Use Bylaw (LUB) is understood to be going through proposed amendments, program objectives should go beyond the elements typically contained in an LUB towards a variety of beautification, accessibility, and/or Crime Prevention through Environmental Design (CPTED) goals and ensure consistency with the vision and intent of the CCARP's design guidelines for a modern, contemporary urban city centre. The Spruce Grove City Centre Area Redevelopment Plan "Land Use and Urban Form Background Report #2" contains further information on the design guidelines and objectives that can be assessed and realized within the SIP.

Application requirements

Applications typically require:

- Application form
- Project description (including how the improvements will benefit the business, how the improvements will align with the ARP Design Goals, and how the improvements will increase the visual aesthetic of the property)
- Current photos

- Drawings of proposed improvements or photos of products to be purchased and installed
- Detailed project budget
- Contractor quotes (min 2)
- Proposed project schedule

Applicants should be encouraged to participate in a pre-application meeting to obtain early advice on the eligibility of planned work.

A clear application form and checklist should be developed, that both determines basic eligibility, and which outlines program elements that may be funded, as well as program goals and assessment criteria. The application form should clearly require applicants to articulate how the proposed work meets one or more program intentions.

Where the grant is intended to promote more intensive, high caliber design, applicants should be encouraged to work with a design professional, such as an architect or urban designer to develop an overall design concept, and ensure adherence to program criteria. While programs may encourage scale drawings by architects or builders, it is not necessarily a requirement. In most cases, full architectural drawings are not typically required for smaller investments, although larger multi-tenant building or major façade improvements should incorporate drawings/details that reflect the level of investment sought, similar to typical building permit processes.

Applicants should be required to supply multiple quotes from contractor (consider a minimum of 2 quotes). Contractor estimates must be comparable, for example, by itemizing all portions of the project rather than providing lump-sum estimates.

Grants are not retroactive and costs incurred prior to signing the agreement with the Municipality are not eligible, however professional fees may be funded retroactively at the discretion of the Municipality.

Applicant support

A staff contact should be available for applicants to ask questions. CPTED principles should, where possible, be incorporated into the design/renovation of the buildings. If the capacity exists in the community, consider offering free CPTED assessment input to potential applicants. Accessibility input should also be provided if capacity exists and reflective of changing provincial accessibility requirements (e.g. Rick Hansen Foundation). These resources should be available on a technical level, but generally staff should not provide design or aesthetic input.

Application Deadline Considerations

The program may have a set application due date to allow a competitive process whereby all applications are assessed at once. A better option may be to consider applications on a rolling basis until funding is allocated, with further applications waitlisted to the following year, assuming funding is continued. This allows greater flexibility for building and business owners to take advantage of the program according to their schedule and needs. Where a set application due date is used, a date in the spring may be preferable, so that applicants can achieve quotes for the work, apply, receive a response from the program, and still be able to complete the upgrades prior to the summer.

With either a set or rolling application date, the program should be responsive so that applicants can efficiently know if they are approved and proceed with work. The most efficient process would rely on a small staff team from the Municipality to assess applications. Clear expectations should be included in the program, so there is less room for discretion and more certainty for the applicants.

Reimbursement

If assessed as successful, a Reimbursement Agreement would be required between the successful applicant and the Municipality. The Agreement contains a description of the project and work to be completed including all relevant attachments included with the Application (including drawings, though the

level of detail in the drawings should be determined as part of the application process), total cost of the project, and anticipated completion date of the project. No work may be performed until a Performance or Reimbursement Agreement is entered into with the municipality. Reimbursement may either be based on the lower of the two contractor estimates submitted, or the actual value of work as performed and invoiced. Cost overruns or changes to scope are not reimbursed unless pre-approved.

The applicant must provide the following for reimbursement:

- Before and after pictures
- Statement of completion signed by the applicant and/or contractor or architect
- Copies of all invoices and proof of payment
- Where appropriate, proof that the improvements have passed final inspection to meet all zoning, building and safety codes

A site visit by Municipal staff may be required. A sticker or plaque recognizing contribution of the funding may also be required.

Complementary Programs and Pandemic Influences

In some jurisdiction, SIPs are funded under an umbrella with other city centre or downtown enhancement programs, which can be layered for example, for patios, planters/beautification, public art, interior upgrades, accessibility improvements, or pandemic response.

While storefront enhancements may be a consideration for pandemic response or a design criterion for assessing applications, pandemic rescue responses have generally been separate programs that have more flexibility in the scope. For example, funding outdoor seating, take-out windows, technology, local marketing, and staff training based on specifically identified business needs, or through breaks on permitting fees. Storefront enhancements may not be the most direct or responsive route by which to assist businesses recover from the pandemic.

Summary Considerations

On the basis of the evaluation of municipal jurisdictions in Alberta and across Canada, the Spruce Grove City Centre should consider implementing a program that reflects the following:

- CCBA boundary
- \$75,000 funding budget
- A single tier program to start
- \$5,000 - \$10,000 grant cap per storefront up to a maximum of 3 contiguous storefronts) and consideration for double grant cap for corner locations
- Grants available until funding budget has been fully used, at which time decision to top up is made based on review of uptake