

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 19, 2018

Item 19, Report No. 6, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on June 19, 2018.

19 ONTARIO'S MAIN STREET REVITALIZATION INITIATIVE - ENABLING BY-LAW FOR MUNICIPAL FUNDING AGREEMENT

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Corporate Initiatives and Intergovernmental Relations, dated June 6, 2018:

Recommendations

1. That the Mayor, City Clerk and/or City Treasurer be authorized to execute the Municipal Funding Agreement for the transfer of Main Street Revitalization Initiative funds between the Association of Municipalities of Ontario and the City of Vaughan, as per Attachment 1;
2. That a segregated obligatory interest-bearing reserve fund be established for the purpose of Main Street Revitalization Initiative funding;
3. That the City commit to implementing projects and spending Main Street Revitalization Initiative funding in accordance with provisions specified in the Municipal Funding Agreement; and
4. That Council enact a by-law, substantially in the form set out in Attachment 4, to satisfy the requirements of the Association of Municipalities of Ontario.

Item:



Finance, Administration and Audit Committee Report

DATE: Wednesday, June 06, 2018

WARD(S): ALL

**TITLE: ONTARIO'S MAIN STREET REVITALIZATION INITIATIVE -
ENABLING BY-LAW FOR MUNICIPAL FUNDING AGREEMENT**

FROM:

Tim Simmonds, Chief Corporate Initiatives and Intergovernmental Relations

ACTION: DECISION

Purpose

To obtain Council authority to enter into a Municipal Funding Agreement for Ontario's Main Street Revitalization Initiative with the Association of Municipalities of Ontario (AMO), prior to July 31, 2018.

Report Highlights

- In March 2018, the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) entered into a Transfer Payment Agreement with AMO to distribute \$26 million to Ontario's Municipalities.
- The City of Vaughan was allocated \$300,498.55 to support projects that help small businesses through main street revitalization.
- Prior to receiving this funding, the City must execute a Municipal Funding Agreement with the AMO and submit a council approved Enabling By-Law by July 31, 2018.
- Staff will review previously approved projects as options for funding that meet the AMO's criteria and will bring forward a report to a future Finance, Administration & Audit (FA&A) Committee meeting with a list of recommended projects.

Recommendations

1. That the Mayor, City Clerk and/or City Treasurer be authorized to execute the Municipal Funding Agreement for the transfer of Main Street Revitalization Initiative funds between the Association of Municipalities of Ontario and the City of Vaughan, as per Attachment 1;
2. That a segregated obligatory interest-bearing reserve fund be established for the purpose of Main Street Revitalization Initiative funding;
3. That the City commit to implementing projects and spending Main Street Revitalization Initiative funding in accordance with provisions specified in the Municipal Funding Agreement; and
4. That Council enact a by-law, substantially in the form set out in Attachment 4, to satisfy the requirements of the Association of Municipalities of Ontario.

Background

The Main Street Revitalization Initiative is a \$26 million fund to help municipal governments undertake main street revitalization activities that support and benefit small businesses. AMO has agreed to administer the funding on behalf of the Ministry of Agriculture, Food and Rural Affairs (OMAFRA). All lower and single tier municipal governments are eligible for the allocation based funding.

The formula for the funding was established by OMAFRA without the need for an application or matching funding. It empowers municipalities to make investment decisions within the program's parameters.

As of April 1, 2018, municipal governments can invest in revitalization activities that will support small businesses through activities undertaken to revitalize main streets. The work can be identified as priority through an existing Community Improvement Plan or municipal physical infrastructure priorities identified through other municipal land use planning document for the municipality's main street that involves the construction, renewal, renovation or redevelopment, or material enhancement in each of the following categories:

- Implementation of priority financial incentives in existing Community Improvement Plans
- Funding of strategic municipal physical infrastructure and promotional projects.

Municipalities can identify projects in one or both categories.

The AMO has indicated that the attached draft bylaw is required for funding. The bylaw is based on the sample provided by the AMO.

For more information on this Initiative, please see Attachment 2 to this Report.

Previous Reports/Authority

Ontario Ministry of Agriculture, Food and Rural Affairs News Release

<https://news.ontario.ca/omafra/en/2018/01/ontario-revitalizing-main-streets-helping-small-businesses-grow.html>

Association of Municipalities of Ontario Main Street Revitalization Initiative

<https://www.amo.on.ca/AMO-Content/Main-Street/MainStreetRevitalizationInitiative>

Analysis and Options

The Municipal Funding Agreement for Ontario's Main Street Revitalization Initiative sets out the terms and conditions upon which the Province and AMO have agreed to provide the City with funding towards the eligible costs of eligible main street revitalization projects. Some key provisions include:

- An interest-bearing account is needed to place the funds received and to fund the approved eligible projects.
- The funds can only be used for carrying out the approved eligible projects.
- Municipalities can fund up to 100% of total project costs with Main Street dollars.
- Municipalities only need to report initial upfront anticipated projects for 2018 and then once annually on projects until all the funds are spent.
- Projects need to be completed no later than March 31, 2020.

Staff are reviewing projects that meet the program criteria and:

1. Align with the parameters as set out in the AMO's funding agreement, including use of funds by March 31, 2020;
2. Align with the City's strategic economic development goals of supporting small businesses;
3. Have previously received Council support, and;
4. Cover a recognized main street corridor as defined in existing municipal land use policies.

Staff will bring forward a report to a future Finance, Administration and Audit Committee meeting with a list of recommended projects that meet the criteria identified above.

Financial Impact

The City of Vaughan has been allocated \$300,498.55 from OMAFRA under this program. Funding is subject to the execution of a Municipal Funding Agreement before July 31, 2018 and funds must be spent between April 1, 2018 and March 31, 2020.

The City's existing budget has approved funding for projects being considered under this initiative. Any required reallocations of existing approved funding arising from Main Street Revitalization Initiative funding will be reported through the City's Quarterly Fiscal Health Report presented at the Finance, Administration and Audit Committee.

Broader Regional Impacts/Considerations

The Mainstreet Revitalization Fund has been offered to every municipality in Ontario, except for the City of Toronto. Vaughan's allocation of \$300,498.55 is in line with its neighbors in York Region. The City of Markham was allocated \$320,609.39, while the Town of Richmond Hill was allocated \$202,115.32.

Use of the Fund will allow the City of Vaughan to continue its work as a leading regional economy.

Conclusion

The City of Vaughan has been allocated \$300,498.55 of Main Street Revitalization Initiative funding by OMAFRA/AMO and the funds must be spent between April 1, 2018 and March 31, 2020. To receive the funds, staff must enter into a Municipal Funding Agreement with AMO prior to July 31, 2018.

For more information, please contact:

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Dennis Cutajar, Director, Economic + Cultural Development, ext. 8274, or
Tim Simmonds, Chief Corporate Initiatives and Intergovernmental Relations, ext. 8427

Attachments

1. Municipal Funding Agreement proposed by AMO

2. AMO publication entitled 'Ontario's Main Street Revitalization Initiative – Guide to the Municipal Funding Agreement'
3. Ontario's Main Street Revitalization Initiative Funding Allocations (as of March 12, 2018)
4. Draft bylaw to be enacted, satisfying AMO requirements

Prepared by

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