



The Corporation of the City of Cornwall
Regular Meeting of Council
Report

Department: Financial Services
Division: Finance
Report Number: 2019-214-Planning, Development and Recreation
Prepared By: Tracey Bailey, General Manager
Meeting Date: October 28, 2019
Subject: HOTC, 220 Second W, Funding Source

Purpose

To provide Council with information regarding a Heart of the City CIP application.

Recommendation

That Council identify a funding source as noted below.

Financial Implications

At its meeting of April 24, 2017, Council approved a recommendation that a separate report be prepared for Council approval should PAC revise any recommended approval by Cornwall Planning Programs Evaluation Group (CPPEG), and the funding source be determined prior to the recommendation to Council.

On August 12, 2019, Council received the Second Quarter Financial Report. The Reserve and Reserve Funds schedule noted that the balance of the ODRP/Heart of the City Reserve was in a negative balance of \$133,043.

Background / Discussion

The HOTC CIP is currently financially supported by utilizing the interest earned on the \$3.5 Million Ontario Downtown Redevelopment Program Loan that was forgiven by the Ministry of Municipal Affairs and Housing in 2006, as well as



monies received through the non-refundable portion of the tax increment grants. As a result, the program is primarily focused on private properties situated in the downtown and Le Village. CPPEG introduced a reduced funding formula (50%) in recent years in response to applications outside of these urban areas, which was approved by Council.

Applications for financial assistance are received by City staff and reviewed by the CPPEG, which makes a recommendation to PAC. PAC decisions are then reviewed and approved by Council.

Since inception, the program has had a significant impact in the revitalization of downtown Cornwall and Le Village.

The response to the HOTC CIP exceeded expectations. In 2017, the program was overcommitted in funding as a result of capital expenditures, the successful uptake of applicants in funding large residential projects which was not anticipated when the program was first designed, and a significant decline on interest rates on investment income.

In the report to Council on April 24, 2017, the issue of the negative HOTC Reserve balance was addressed and a plan approved to rebuild the Reserve.

As per Council direction, a separate report to Council is required should PAC revise any recommendation from CPPEG.

At the PAC meeting of October 22, 2019, under application HOTC#2019-08 220 Second St W, CPPEG recommended funding of \$22,500 within the various programs. Upon further review, PAC recommended funding of \$45,000 (full funding eligible) to proceed to Council. This creates a difference of \$22,500 for which a funding source must be determined.

Document Title:	Information Regarding HOTC CIP - 2019-214-Planning, Development and Recreation.docx
Attachments:	- Report - PAC Report No. 3 - Heart of the City Community Improve.pdf
Final Approval Date:	Oct 24, 2019

This report and all of its attachments were approved and signed as outlined below:

Mark A. Boileau - Oct 24, 2019 - 2:23 PM

Maureen Adams - Oct 24, 2019 - 2:28 PM