

THE CITY OF VAUGHAN

BY-LAW

BY-LAW NUMBER 014-2026

A By-law to designate Community Improvement Plan Area(s) within the City of Vaughan.

WHEREAS Section 28(1) of the *Planning Act*, R.S.O. 1990, c. P.13, as amended (“the *Planning Act*”) defines a “Community Improvement Project Area” as a “municipality or an area within a municipality, the community improvement of which in the opinion of council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason”;

AND WHEREAS Section 28(2) of the *Planning Act* empowers the Council of a local municipality in which an Official Plan is in effect that contain provisions relating to community improvement in the municipality, to designate the whole or any part of an area covered by such an Official Plan as a Community Improvement Project Area;

AND WHEREAS Section 10.1.2.14 of the Vaughan Official Plan states that a Community Improvement Project Area may be designated by by-law, pursuant to Section 28 of the *Planning Act*,

AND WHEREAS before a by-law adopting a community improvement plan can be adopted, the community improvement project area must be designated, appropriate programs and financial tools must be identified and a public meeting held to consider the proposed community improvement plan;

AND WHEREAS a public meeting was held on November 18, 2025 in accordance with the *Planning Act*,

NOW THEREFORE the Council of The Corporation of the City of Vaughan ENACTS AS FOLLOWS:

1. The lands identified in Schedule “A” are designated as a community improvement project area within the meaning of Section 28 of the *Planning Act*;

2. The community improvement project area shown in Schedule "A" shall be known as the Non-Residential Development and Complete Communities, and Efficient Movement of Goods and Talent Community Improvement Project Area;
3. The community improvement plan attached to this by-law as Schedule "B" be adopted as the community improvement plan for the areas designated in Schedule "A";
4. The community improvement plan attached hereto as Schedule "B" shall hereinafter be referred to as The Community Improvement Plan: Non-Residential Development and Complete Communities, and the Efficient Movement of Goods and Talent;
5. Schedule "A" and Schedule "B" attached hereto are incorporated into and form part of this by-law; and
6. This by-law shall come into force in accordance with the provisions of the *Planning Act*, R.S.O. 1990, c.P.13, as amended.

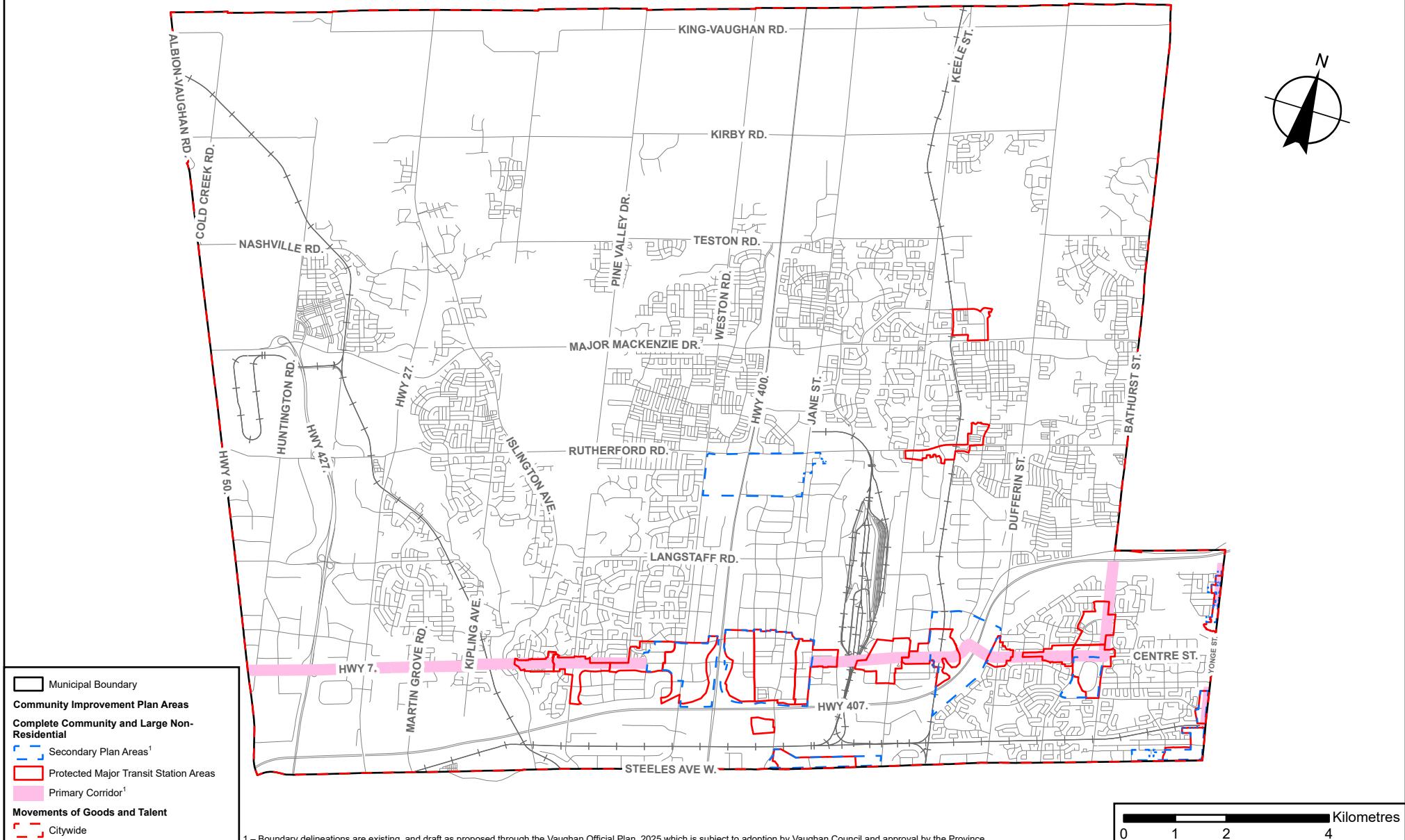
Voted in favour by City of Vaughan Council this 27th day of January, 2026.

Steven Del Duca, Mayor

Todd Coles, City Clerk

Authorized by Item No. 8 of Report No. 1 of the Committee of the Whole.
Report adopted by Vaughan City Council on January 27, 2026.
City Council voted in favour of this by-law on January 27, 2026.
Approved by Mayoral Decision MDC 001-2026 dated January 27, 2026.
Effective Date of By-Law: January 27, 2026

ATTACHMENT - SCHEDULE A - Community Improvement Plan Areas



Community Improvement Plan Areas (By-Law 014-2026)

LOCATION:
City of Vaughan

APPLICANT:
City of Vaughan



Policy Planning and
Special Programs

Schedule

FILE:
N/A

DATE:
January 20, 2026

A



COMMUNITY IMPROVEMENT PLAN

**Non-Residential Development and Complete
Communities, and the Efficient Movement of
Goods and Talent**

Prepared for: City of Vaughan

Prepared by: Nethery Planning,
urbanMetrics, and
The Local Option

January 2026



Contents

1.0 Introduction About the CIP	5
1.1 What Is a CIP?	6
1.2 Contents	7
2.0 The Creation of the Community Improvement Plan How CIPs are Made and Implemented	9
2.1 Stakeholder and Public Engagement	9
2.2 Authority	10
3.0 Community Improvement Plan Area Where the CIP Applies	13
4.0 Goals and Objectives What the CIP Aims to Accomplish	15
5.0 Financial Incentive Programs The CIP in Action	18
5.1 General Eligibility Criteria	18
5.2 Overview of Programs	19
6.0 Implementation Plan Rolling out the CIP	26
6.1 Implementation Period	26
6.2 Administration	26
6.3 Applying for Incentives	28
6.4 Plan and By-law Amendments	36
7.0 Monitoring Plan Keeping the CIP Up-to-Date	38
8.0 Marketing the CIP Promoting Incentives and Opportunities	42

Glossary of Terms	44
Appendix A: Community Improvement Plan Area	47
Appendix B: Financial Incentives and Program Specific Eligibility	49
Complete Communities and Non-Residential Development Financial Incentive Programs	49
Efficient Movement of Goods and Talent Financial Incentive Program	60

1.0

Introduction

1.0 Introduction | About the CIP

The City of Vaughan is looking to enhance accommodation of suburban and urban-built forms as the City elevates its role in supporting community and economic development. Within Vaughan, there is a strong focus on creating jobs and fostering employment as part of creating complete communities. This includes promoting the development of office spaces and other non-residential uses which aim to support the growth of knowledge-based industries. To attract and retain a highly educated and skilled workforce, it is essential to develop lively, balanced, and mixed-use communities that can provide a high quality of life for residents.

The City of Vaughan Community Improvement Plan for Complete Communities and Non-Residential Development and Efficient Movement of Goods and Talent is intended to help position the City as a competitive and attractive urban location for residents, talent, and businesses alike. Throughout this Community Improvement Plan, the City of Vaughan is investing up to \$43M over the next five years to build complete communities, provide transportation solutions, and attract the talent and businesses it needs for the future. This contribution is expected to generate more than \$216M in direct investment response from the private sector over a five-year implementation period. Through a mix of development charge deferrals, forgivable loans, and grants, the Community Improvement Plan is investing to attract:

- One major conference or convention centre;
- Seven development projects that achieve the gold threshold of the Sustainability Metrics Program;
- Fifteen new grocery stores;
- Three retrofitted grocery stores;
- 600,000 square feet of new major office space;
- 3.7 million square feet of mixed-use space supporting urban agriculture, creative industries, and innovation; and
- Forty businesses with Transportation Demand Management Strategies.

By encouraging non-residential development, Vaughan aims to cultivate a vibrant cultural scene with engaging public spaces, diverse commercial activity, and conveniently located services that work towards the creation of a complete community.

1.1 What Is a CIP?

A Community Improvement Plan is a land use planning tool that allows municipalities such as the City of Vaughan to provide financial incentives, such as grants and loans, and non-financial incentives to private landowners to encourage investment in identified areas that support the City's development, social, and environmental goals. Financial incentives help fund certain types of development and redevelopment that are prioritized through local strategic plans, the Official Plan, and other local plans and studies.

Authorized under Section 28 of the Planning Act, municipalities may designate specific areas and issues for community improvement. In addition to the Planning Act, other legislation such as the Municipal Act and Development Charges Act also provide municipalities with the power to create and implement financial incentives.



1.2 Contents

The City of Vaughan Community Improvement Plan (CIP) is comprised of the Complete Communities Development program and an Efficient Movement of Goods and Talent program. These two CIPs have been amalgamated into one CIP and comprise the following sections:

- Section 2 presents the basis of the CIPs;
- Section 3 provides introduces Community Improvement Plan Areas for which incentive programs are applied to;
- Section 4 outlines the goals and objectives for the CIPs;
- Section 5 introduces the financial incentive programs for both CIPs;
- Section 6 provides an explanation of how the CIPs will be implemented, including the application process and amending the CIP;
- Section 7 outlines monitoring and reporting and tools for the CIPs; and
- Section 8 identifies recommended marketing initiatives for CIP promotion.

This Plan is supported by a glossary of terms and two appendices:

- Appendix A - The community improvement plan areas, and
- Appendix B - Financial incentives and program specific eligibility.



2.0

The Creation of the Community Improvement Plan

2.0 The Creation of the Community Improvement Plan | How CIPs are Made and Implemented

Two background studies were prepared to inform this Community Improvement Plan: the Complete Communities Development and the Efficient Movement of Goods and Talent. These studies provided the following:

- The current legislative context, including provincial, Regional, and local policy;
- Community Improvement Plan best practices and examples;
- A summary of findings from community consultation events;
- An analysis of areas of interest in determining a Community Improvement Plan area;
- Draft goals and objectives for the Community Improvement Plan; and
- Options for financial incentive programs.

2.1 Stakeholder and Public Engagement

Formal and informal stakeholder engagement has been conducted to support the development of the CIP. Internal meetings have been held with subject matter experts in planning and transportation within the Community Improvement Plan Area. In addition, Council briefings have been conducted to retrieve feedback on the CIP programs. Feedback from the internal subject matter experts and Council has influenced the development of the Community Improvement Plan programs and the application process.

On November 29, 2024, the City hosted an in-person public engagement session for public stakeholders, development industry, non-profit organizations, businesses, and Regional and provincial staff. The meeting included a facilitated workshop, discussion, and follow-up information about the project was posted on the City's CIP website vaughan.ca/cip.

Feedback from the stakeholders group informed discussions on the limits of the proposed Community Improvement Plan Area and identified financial and non-financial barriers to attract and maintain non-residential uses within strategic growth areas in the City. As a result, the Community Improvement Plan Area boundaries for the complete communities-related incentives were expanded to be applied to Protected Major Transit Station Areas. Other discussions related to interim uses and flexibility needed to an evolving site were used to support the suite of proposed CIP incentives.

On September 30, 2025, and October 3, 2025, two public engagement sessions were held for public stakeholders, the development industry, non-profit organizations, business, and Regional and provincial staff to report back on the proposed suite of incentives and to receive feedback on tactics to inform the implementation process. The virtual meeting included a facilitated workshop and discussion. The purpose of these meetings was to inform stakeholders of the proposed suite of incentives and to collect feedback on the deployment and implementation of the incentive programs. The City of Vaughan Community Improvement Plan was prepared with input from resident groups, local businesses, City economic development and planning staff, elected officials, and other interested parties. York Region and the Ministry of Municipal Affairs and Housing have been informed of—and are included in—the development and adoption of this CIP.

On November 18, 2025, a Statutory Committee of the Whole Public Meeting was held to present the draft Plan to the public and all feedback provided through written submissions was addressed. The final Plan is being presented to Council for approval at the January 20, 2026, Committee of Whole meeting.

2.2 Authority

Typically, under Section 106 (1) and (2) of the Municipal Act, 2001, municipalities are prohibited from providing direct or indirect assistance to any manufacturing, industrial, or commercial enterprise through the allocation of bonuses. This includes actions such as granting or loaning municipal property, including funds; guaranteeing loans; leasing or selling municipal assets below their fair market value; and offering total or partial exemptions from fees, charges, or levies. However, Section 106 (3) of the Municipal Act, 2001, outlines an exception to this rule for Councils acting under Subsections 28 of the Planning Act. Legislated by Section 28 of the Planning Act and through this Plan, the City of Vaughan is authorized to direct and channel investment within the community. Policies contained within the City of Vaughan Official Plan provide the authorization to create a Plan that enables Council to:

- Acquire, hold, clear, grade or otherwise prepare land Section 28(3));
- Construct, repair, rehabilitate or improve buildings on land acquired or held by the Municipality (Section 28(6)(a));
- Sell, lease or dispose of any land and buildings acquired or held by the Municipality (Section 28(6) (b)); and
- Make grants or loans to owners and tenants of land and buildings within the community improvement project area to pay for the whole or any part of 'eligible costs' related to community improvement (Section 28(7)).

The City of Vaughan CIP as written conforms to the in-force City of Vaughan Official Plan, 2010 (in effect) and the Council-approved Official Plan, 2025 (awaiting Ministerial approval, and therefore not in effect at the time of adopting this CIP). Both Official Plans provide policies that enable the City to adopt a CIP By-law designating a Community Improvement Project Area. They contain policies regarding criteria for selecting areas in need of community improvement, and policies that promote the revitalization, rehabilitation, redevelopment, and intensification within the City.

Table 1: City of Vaughan Official Plan Policies for Community Improvement

Council approved Vaughan Official Plan, 2025	Vaughan Official Plan, 2010
---	------------------------------------

5.3.1.19 *That Community Improvement Project Areas may be designated by a by-law for areas that display any or all of the following criteria:*

10.1.2.14. *That Community Improvement Project Areas may be designated by by-law, pursuant to Section 28 of the Planning Act, for areas that display any or all of the following criteria:*

The criteria outlined in policy 5.3.1.19 of the Council- approved Vaughan Official Plan, 2025 and policy 10.1.2.14 of the Vaughan Official Plan, 2010 are the same, and include:

- a. *inadequate municipal **Infrastructure**, including piped services, streets and streetscapes, public parking facilities, and/or stormwater management facilities;*
- b. *inadequate **Community Facilities**, such as public recreational/cultural facilities, public parks, public open space, and/or social services, including **Affordable Housing**;*
- c. *building and/or property deterioration, including facade treatment, to the extent that it has a negative effect on the overall image of the broader community;*
- d. *faulty arrangement of lands;*
- e. *encroachment of incompatible land uses;*
- f. *poor overall streetscape and urban design;*
- g. *existing or potential Business Improvement Areas;*
- h. *vacant lots with **Redevelopment** or infill potential to achieve the City's Urban Structure;*
- i. *underdeveloped properties which have potential for Redevelopment or expansion to better utilize the land base to achieve the City's Urban Structure;*
- j. ***Development** at densities that are too low to support planned transit facilities;*
- k. *barriers to the improvement or **Development** of vacant or underutilized lands or buildings, such as lots that are **Brownfield Sites**, contaminated soil, fragmented ownership, or financial disincentive to private investment;*
- l. ***Conservation** of heritage resources through restoration, rehabilitation, and adaptive reuse; and/or*
- m. *any other reason as provided for under the Planning Act.*

In addition, policy 5.3.1.16 of the Council-approved Official Plan, 2025 identifies Community Improvement Plans as financial tools for the development of Complete Communities. Together, the Community Improvement Plan and Community Improvement Plan Areas aim to achieve the vision, goals, and objectives identified in Section 4 of this Plan and support in the creation of an innovative, inclusive, sustainable, and balanced City.

3.0

Community

Improvement

Plan Area

3.0 Community Improvement Plan Area | Where the CIP Applies

To establish incentive programs under a Community Improvement Plan, a Community Improvement Plan Area (CIPA) must be designated, as per Section 28 of the Planning Act. There are two CIPAs identified for this Community Improvement Plan as it relates to programs associated with complete communities and non-residential development, and efficient movement of goods and talent.

Complete Communities and Non-Residential Development: The CIPA boundary for the associated financial incentive programs aligns with land within select existing secondary plan areas, primary corridors, and protected major transit station areas identified within the Intensification Areas in the 2010 Vaughan Official Plan (Schedule 1 – Urban Structure and Schedule 1C – Protected Major Transit Station Areas) or within the strategic growth areas in the Council-approved 2025 Vaughan Official Plan (Schedule 1B – Strategic Growth Areas). Regional streets identified as Primary Corridor in Schedule 1B of the draft Vaughan Official Plan, 2025 include but are not limited to Highway 7 and a portion of Bathurst Street.

Efficient Movement of Goods and Talent: The CIPA boundary for the financial incentive program under this category applies City-wide.

The CIPAs are established by By-law, mapped in Appendix A. They will be administered separately from the CIP. This allows for the adjustment of the CIPA boundaries without an amendment to the CIP itself, but through City Council amendment to the CIPA By-law. For complete and up-to-date information on the CIPA boundaries, interested applicants and users of this Plan should contact the City.



The background of the page is a high-angle aerial photograph of a scenic route. The road starts from the bottom right and curves its way towards the top left, surrounded by a variety of greenery. On the left, there's a dense forest of dark green coniferous trees. To the right of the road, there are patches of bright green grassy fields and some yellowish-green deciduous trees, suggesting a transition between seasons. In the far distance, a cluster of small, dark buildings is visible under a bright, slightly cloudy sky.

4.0

Goals and

Objectives

4.0 Goals and Objectives | What the CIP Aims to Accomplish

The purpose of the City of Vaughan Community Improvement Plan is to enhance Vaughan's value proposition for future investment, as well as to attract top talent for the City's businesses.

To ensure applications meet the purpose of the Plan, goals and objectives for both Complete Community Development and Efficient Movement of Goods and Talent programs were identified.

Complete Community and Non-Residential Development: *Urban neighbourhoods that are socially cohesive and economically prosperous require a balance of uses to achieve vibrant, diverse, and complete urban neighbourhoods.*

1. Enhance Economic Vitality and Social Connectivity through Increased Mixed-Use Development
 - Establish incentives for mixed-use developments that integrate residential, commercial, office spaces, and community spaces fostering dynamic and livable neighbourhoods.
 - Boost economic prosperity by commercial and office use incentive programs that complement residential growth and create lively neighborhoods.
 - Provide incentive programs that promote the development and redevelopment of buildings that offer residential, commercial, and retail spaces.
 - Invest in complete communities where residents can live, work, and access amenities and services within walking distance.
2. Cultivate Partnerships with Stakeholders, Landowners, and Developers and Recognize for Exemplary Developments
 - Promote developments that contribute to the vision of complete communities and focus on sustainability and accessibility.
 - Develop partnerships with landowners, organizations, and developers to maximize potential in creating complete communities through CIP incentives.

Efficient Movement of Goods and Talent: *City projects such as Vaughan's Transportation Plan and Official Plan have identified the need for innovation and implementation of next-generation goods and people movement solutions.*

1. Support Sustainable and Efficient Goods and Talent Movement

- Develop a robust network of last-mile transportation solutions that facilitate efficient movement of goods and talent.
- Encourage the adoption of company commitments to providing sustainable solutions in the delivery, distribution, and transport of goods and talent, such as off-peak operations.
- Encourage companies to explore the integration of emerging technologies, such as autonomous delivery systems and smart traffic management solutions, to enhance the efficiency of goods movement and improve transportation services.
- Enhance partnerships and collaboration with community stakeholders, including businesses and transit authorities, to develop attractive incentives to enhance the movement of goods and talent.

2. Establish a Targeted Incentive Program

- Attract business investment by designing an incentive program that encourages eligible companies to invest in logistics and infrastructure that work to decrease traffic congestion while enhancing the movement of goods in Vaughan.

3. Monitor Impact and Adapt Over Time

- Identify implementation and monitoring criteria to ensure effectiveness and adapt over time to ensure demand is being met.



5.0

Financial

Incentive

Programs

5.0 Financial Incentive Programs |

The CIP in Action

As part of the Community Improvement Plan, the City of Vaughan may implement any of the programs listed below over the CIP Implementation Period, subject to available funding, the City's capital budget, and other available resources.

5.1 General Eligibility Criteria

To be eligible for any of the programs listed in the CIP, applicants must meet the following general eligibility criteria:

- a) The lands and buildings contained within the application must be located within the applicable Community Improvement Plan Areas designated By-law.
- b) The existing or proposed use is permitted in the City's Official Plan, Zoning By-law, and within the program-specific criteria for the financial incentive in which the applicant is applying for.
- c) The application addresses and works toward meeting at least one of the goals and objectives of the CIP.
- d) Unless otherwise specified, registered owners, assessed owners, and tenants (with written consent from owners) of lands or buildings may be eligible to apply for a financial incentive under this CIP.
- e) The applicant is in good standing with the City of Vaughan with respect to By-law compliance and property tax payment.
- f) The applicant submits a completed application form with any additional required documentation to the City of Vaughan during the application period.
- g) If the applicant is applying for multiple incentive programs (stacking incentives), the total incentive amount provided shall not exceed the total eligible costs of the project. The development charge deferrals cannot be stacked with any other development charge policies offered by the City of Vaughan.
- h) A letter of commitment must be signed by a qualified professional (e.g., planner, engineer, architect, energy specialist, etc.) if it pertains to technical information. The letter of commitment can be signed by the applicant if it is descriptive information.

In addition to these general eligibility criteria, a set of program-specific eligibility criteria must also be met, which are outlined in Appendix B.

Eligible expenditures are costs that are outlined as eligible costs within each financial incentive program. Expenditures can only be reimbursed to the recipient if a CIP agreement is signed and project approval conditions are met.

Ineligible expenditures

Ineligible expenditures do not apply to any Development Charge deferrals and may include but are not limited to the following:

- Costs incurred for cancelled planning projects,
- Any overhead costs, including salaries and other employment benefits, or any employee of the eligible recipient or ultimate recipient,
- Financing charges, and loan interest payments,
- Any goods and service costs which are received through donation or in kind,
- Provincial sales tax, goods, and service tax, and harmonized sales tax, and
- Costs associated with operating expenses.

5.2 Overview of Programs

The City of Vaughan has identified eight financial incentive programs for implementation through this Plan (shown in Table 2), broken down by:

- Complete Community Development: seven financial incentive programs
- Efficient Movement of Goods and Talent: one financial incentive program

Table 2: Financial Incentive Programs

Financial Incentive Program	Financial Tool
Complete Communities and Non-Residential Development	
1. Major Office	Development Charges Deferral
2. Convention Centre	Development Charges Deferral
3. Urban Format Supermarkets and Grocery Stores for New Construction	Development Charges Deferral
4. Urban Format Supermarkets, Grocery Stores, and Food Services for Retrofit	Forgivable Loan
5. Urban Agriculture, Creative Industries, Incubation, Co-working, and Research Facilities	Forgivable Loan
6. Sustainable Built Environment	Capital Grant
7. Interim Activations (Retail or Recreational Use)	Capital Grant
Efficient Movement of Goods and Talent	
8. Transportation Demand Management Strategy	Forgivable Loan

The following section provides an overview of the financial incentive programs, with more detail on value breakdown, program, and cost eligibility criteria and payment details provided in Appendix B of this Plan.

Program Phasing

A phased approach for the implementation of the financial incentives proposed herein the Community Improvement Plan are identified in Table 3. Any range of years identified through phasing will be when the financial incentive will be made available to the public. The year prior to any financial incentive activation will require a budget request and approval from Vaughan Council.

Table 3: Financial Incentive Phasing Timing

Phase (Year)	Financial Incentive
Phase 1 2026 to 2030	<ul style="list-style-type: none">Major Office Development Charges DeferralConvention Centre Development Charges DeferralSustainable Built Environment GrantInterim Activations (Retail or Recreational Use) Grant
Phase 2 2027 to 2030	<ul style="list-style-type: none">Urban Format Supermarkets, Grocery Stores, and Food Services for New Construction Development Charge DeferralUrban Agriculture, Creative Industries, Incubation, Co-working and Research Facilities Forgivable Loan
Phase 3 2029 to 2030	<ul style="list-style-type: none">Urban Format Supermarkets, Grocery Stores, and Food Services for Retrofit Forgivable LoanTransportation Demand Management Strategy Forgivable Loan



Overview of the Complete Community and Non-Residential Development Programs

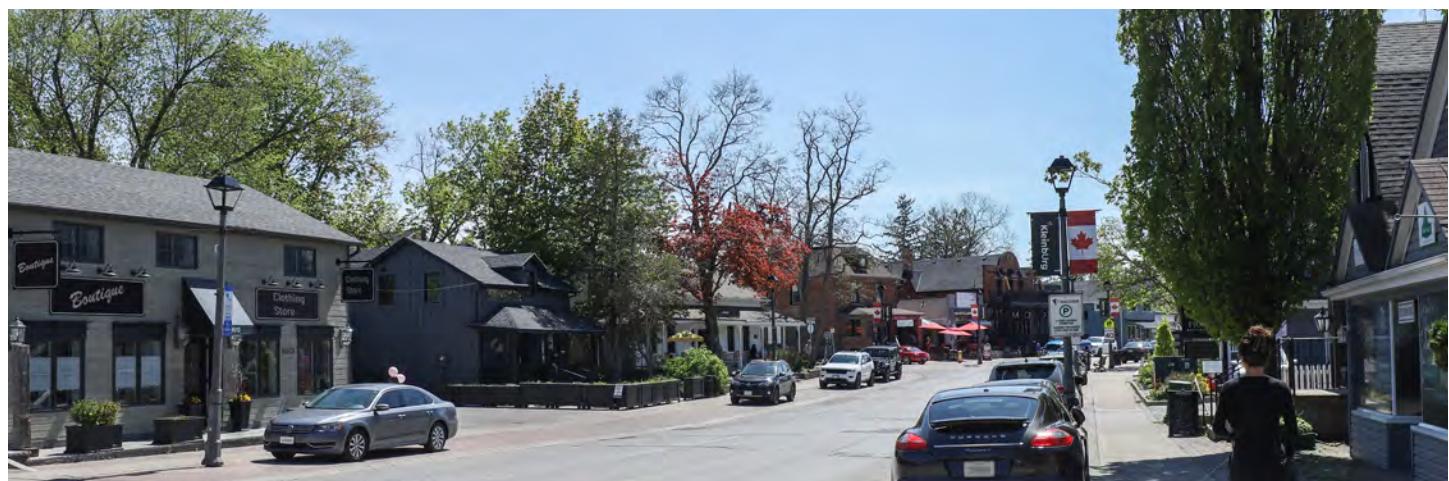
Financial Incentive #1: Major Office Development Charges Deferral

A development charges deferral¹ until a change of use, to incentivize the creation or maintenance of employment in the identified Community Improvement Plan Areas. The program targets major office developments that would have significant economic benefit to the City or fills an existing gap to advance Vaughan's economy.

Eligible Costs: Development charge costs incurred to develop a major office, either standalone or within a mixed-use development, excluding the development charges that apply to the residential and/or non-office portion. The development charges deferral would be based on the building's size, allowing for between 50% to 100% of the development charges to be deferred based on a size threshold of between 75,000 and 600,000 square feet. Development charges would remain deferred until a change of use. This program would be capped at either five years or at 600,000 sq. ft. of office space, whichever comes first. This incentive cannot be stacked with other DC policy incentives or other CIP incentives.

Size Threshold	Development Charges Deferral Guidance
75,000 sq.ft to 149,999 sq.ft.	50% of the development charges are deferred until the office building changes use.
150,000 sq.ft. to 249,999 sq.ft.	75% of the development charges are deferred until the office building changes use.
250,000 sq.ft. to 600,000 sq.ft.	100% of the development charges are deferred until the office building changes use.

Phasing: The incentive will be active through Phase 1 (2026 to 2030), the entirety of the implementation period of five years.



¹ Definition of Development Charge Deferral is provided in the Glossary section of this CIP.

Financial Incentive #2: Convention Centre Development Charges Deferral

A development charges deferral for ten years to incentivize the creation or maintenance of employment in the identified Community Improvement Plan Areas. The program targets the development of a convention centre, which would have significant economic benefit to the City or fills an existing gap to advance Vaughan's economy.

Eligible Costs: Development charge costs incurred to develop a convention centre, excluding the development charges that apply to residential and/or non-convention centre floor space, to a maximum of 90,000 sq. ft of the convention centre exhibition hall floor space, excluding any space ancillary to the exhibition hall floor space, including back of house. This program would be capped at either five years or at 90,000 sq. ft. of convention centre space, whichever comes first. This incentive cannot be stacked with other DC policy incentives or other CIP incentives.

Exhibition Hall Gross Floor Area | DC Deferral

<90,000 sq. ft.	Not Eligible
>=90,000 sq. ft.	Up to 90,000 sq. ft. will be deferred for ten years

Phasing: The incentive will be active through Phase 1 (2026 to 2030), the entirety of the implementation period of five years.

Financial Incentive #3: Urban Format Supermarket, Grocery Stores, and Food Services for New Construction Development Charges Deferral

A development charge deferral of two years to incentivize the development of new supermarkets and grocery stores, as a primary use, with or without food service, operating in an urban format in a mixed-use building.

Eligible Costs: A development charge deferral for two years for the new construction of supermarkets and grocery stores, as a primary use, with or without food service, operating in an urban format. The supermarket or grocery store must be a minimum of 12,000 square feet and located within a mixed-use building. The deferral would only apply to the supermarket or grocery store floor space and exclude any residential and/or non-supermarket or grocery store portion. This program would be capped at either four years or at 675,000 sq. ft. of supermarket or grocery store space, whichever comes first. This incentive cannot be stacked with other DC policy incentives or other CIP incentives.

Phasing: The incentive will be active in Phase 2 (2027 to 2030) and would be available for four years.



Financial Incentive #4: Urban Format Supermarkets, Grocery Stores, and Food Services for Retrofit Forgivable Loan

A forgivable loan² to incentivize the retrofit of supermarkets, grocery stores, and food services within a mixed-use building, repurpose existing uses or vacant and underutilized spaces for supermarkets, grocery stores, and food service. The supermarket or grocery store must remain the primary use within a mixed-use development.

Eligible Costs: Up to \$50,000 per project, or 50% of identified performance-based costs, which can include ventilation, loading, additional storage, or customer accessibility, incurred for the retrofit of spaces to supermarkets and grocery stores with or without food services and food service retail. The supermarket and grocery store use cannot be stand-alone from the food service retail use. This incentive will be capped at \$150,000, or three projects.

Phasing: The incentive will be active in Phase 3 (2029 to 2030) and would be available for two years.

Financial Incentive #5: Urban Agriculture, Creative Industries, and Incubation, Co-working, or Research Facilities Forgivable Loan

A forgivable loan² to incentivize the increase of urban agriculture³, creative industries, incubation, co-working, or research facilities⁴ to provide urban neighbourhood vibrancy and support maintaining employment, commercial, and office uses.

Eligible Costs: Up to \$50,000 forgivable loan per project, to a maximum of 80% of total project costs, to support the establishment of services and programs that support food security, creative industries, incubation, co-working, or research facilities through a partnership with a non-profit organization. If it is a non-profit organization applying for the grant, a partnership agreement will be made for private commercial, institutional, or recreation space. The use can be permanent or interim based. This grant cannot be stacked with the Interim Use Activations (Retail or Recreational Use) grant. This program will be capped at \$250,000. Eligible costs are considered direct and necessary to the establishment of the use or co-location. Costs can be associated with professional planning or building standards services.

Phasing: The incentive will be active in Phase 2 (2027 to 2030) and would be available for four years.

Financial Incentive #6: Sustainable Built Environment

A grant to support the City's Sustainability Metrics Program through an incentive that enhances the built environment, primarily through accessible and sustainable design metric features. Features that may be incentivized may be the use of modular mass timber construction, installation of green roofs and living walls, installation of accessible design features, installation of public art, energy-efficient systems, water conservation technologies or sustainable landscaping. This incentive is designed to be flexible in nature, rewarding new projects that can achieve a gold-threshold level or existing tenants looking to make improvements to their sites (i.e., through retrofits or installations).

Eligible Costs: A capital grant up to 80% of fees incurred for the implementation of a sustainability metric, to a maximum of \$20,000 per project for those achieving a gold-level threshold. Retrofit installations will not be subject to the requirement of meeting the gold thresholds and will receive a grant tied to the

² Definition of Forgivable Loan is provided in the Glossary section of this CIP.

³ Definition of Urban Agriculture is provided in the Glossary section of this CIP.

⁴ Definition of Creative Industries, incubation, co-working, or research facilities is provided in the Glossary section of this CIP.

amount of the proposed installation, up to a maximum of \$20,000. The grants may be used for professional consulting services, City services, and the implementation of the metrics. This program will be capped at \$140,000, or seven projects.

Phasing: The incentive will be active through Phase 1 (2026 to 2030), the entirety of the implementation period of five years.

Financial Incentive #7: Interim Use Activations (Retail or Recreational Use) Grant

A grant to incentivize temporary retail and recreational uses that activate vacant or underutilized spaces during build-out phases. The program aims to animate spaces, normalize foot traffic, test commercial viability, and improve market confidence and community perception by encouraging the use of short-term, community-focused activations that help achieve vibrant urban neighbourhoods while the longer-term development of a site is underway.

Eligible Costs: A capital grant up to 80% of fees incurred for the physical infrastructure costs required to support the use, to a maximum of \$50,000 per project. The program will have a maximum uptake amount of \$250,000 within the Community Improvement Plan Area over the five-year period.

Phasing: The incentive will be active through Phase 1 (2026 to 2030), the entirety of the implementation period of five years.

Overview of the Efficient Movement of Goods and Talent Program

Financial Incentive #8: Transportation Demand Management Strategy Forgivable Loan

A forgivable loan available to support employers and companies that are large contributors to vehicular or truck traffic within the City to undertake a transportation strategy for making the transportation of goods and talent more efficient. Successful applicants will provide the City with access to reports and ongoing data collection. The grant would be established within two phases. Successful applicants would develop the strategy and commit to implement any actions identified by the City (Phase 1). The company would be eligible to receive future top-up funding to implement these recommendations at the review and discretion of the City (Phase 2).

Eligible Costs: A forgivable loan of up to \$25,000 per project (Phase 1) for costs incurred for professional consulting services to prepare a transportation demand management strategy. This program would be capped at \$1,000,000, allowing forty companies the opportunity to undertake a transportation demand management strategy.

Phasing: The incentive will be active in Phase 3 (2029 to 2030) and would be available for two years.



6.0

Implementation

Plan

6.0 Implementation Plan | Rolling out the CIP

6.1 Implementation Period

The Community Improvement Plan will be implemented over a five-year period, ending December 2030. Some of the incentives are time limited within this period, and both those programs and the overall program shall have options to renew (detailed in Section 6.4, below). Council may extend, reduce, or review the implementation period as deemed necessary through an amendment to the CIP.

At least six months before completion of the implementation period, Council shall review the Community Improvement Plan and consider continued funding of the financial incentive programs through the municipal capital budget process or alternate funding opportunities.

6.2 Administration

The roles and responsibilities of the Mayor and City Council for implementing this CIP include:

- a. **Establishing the Active Financial Incentive Programs in Effect:** Council may choose which incentive programs are active for any given year, and each program's duration. Activation recommendations are set out in this CIP.
- b. **Future Budget Requests:** Annually, the Implementation Committee will provide a report to Council and identify any future budget requests through the budget process in accordance with the phasing of this Plan. Under strong mayor powers, the Mayor will review these requests and determine their inclusion in the proposed City Budget. Council may pass resolutions for amendments within thirty days. The Mayor may veto such amendments within ten days, subject to Council's ability to override the veto (requiring a two-thirds majority within fifteen days). Upon this, the budget is considered adopted at the conclusion of this process (regardless of amendments or vetoes).
- c. **Appointing a Plan Administrator and Implementation Committee:** Council shall delegate responsibility of the CIP and its implementation to the Implementation Committee. It will assist with the implementation of the CIP and the applications. Council may delegate Plan Administrator authority for approving or refusing incentive applications to the Deputy City Manager of Strategic Initiatives.

Once the above steps have been met by the Mayor and Council, responsibility for the CIP and its implementation will rest with the Plan Administrator. This person will be ultimately responsible for the execution of the CIP after adoption. The Plan Administrator will be supported by an Implementation Committee, with members consisting of City staff from different departments:

- Economic Development;
- Development and Parks Planning;
- Policy Planning and Special Programs; and
- Finance;

Subject Matter Experts

- Public Works;
- Recreation;
- Office of the City Solicitor; and
- Other departments as needed

Staff from other departments with specific expertise may be brought in to consult and assist on the review or evaluation of the CIP, or other development applications and technical studies. The Committee shall also be authorized to retain qualified professionals as required for specific expertise.

The roles and responsibilities of the Implementation Committee include:

- a. Carrying out pre-application meetings with interested applicants to discuss eligibility;
- b. Reviewing and evaluating incentive applications for approval or refusal;
- c. Marketing the CIP;
- d. Monitoring the CIP and providing update reports to Council which provide data on CIP uptake, including project costs and resulting benefits; and
- e. Providing recommendations on incentive programs, including timelines and budgets to Council.

The Plan Administrator accepts and distributes financial incentives as approved by Council in two ways:

1. On a first-come, first-serve basis until the upset funding limits of the program have been fully allocated; and
2. Through intake periods where all applications are evaluated according to the deadline determined (programs that are active for a specified intake period).

Applications will be evaluated within a four-to-six-week period from when the application is submitted (for the programs evaluated on a first-come, first-serve basis), or the application deadline (for the programs with specified intake periods).

6.3 Applying for Incentives

Both the applicant and the Plan Administrator must follow the steps outlined below for submitting, processing, evaluating, and approving or denying a CIP application.

An applicant is required to take the following steps:

- a. Attend a pre-application meeting⁵ with a member of the Implementation Committee to understand eligibility and application requirements (recommended step, not mandatory);
- b. Use the appropriate application form to submit the application⁶ and any other necessary documentation to the City. The applicant must be the registered property owner or have written consent from the registered property owner;
- c. The application will be reviewed by the Implementation Committee and Plan Administrator for completion and compliance with general and program-specific eligibility requirements;
- d. If approved, (See Figures 1 and 2); and
- e. When the applicant has finished the project, they must submit a statement of project completion to the City.

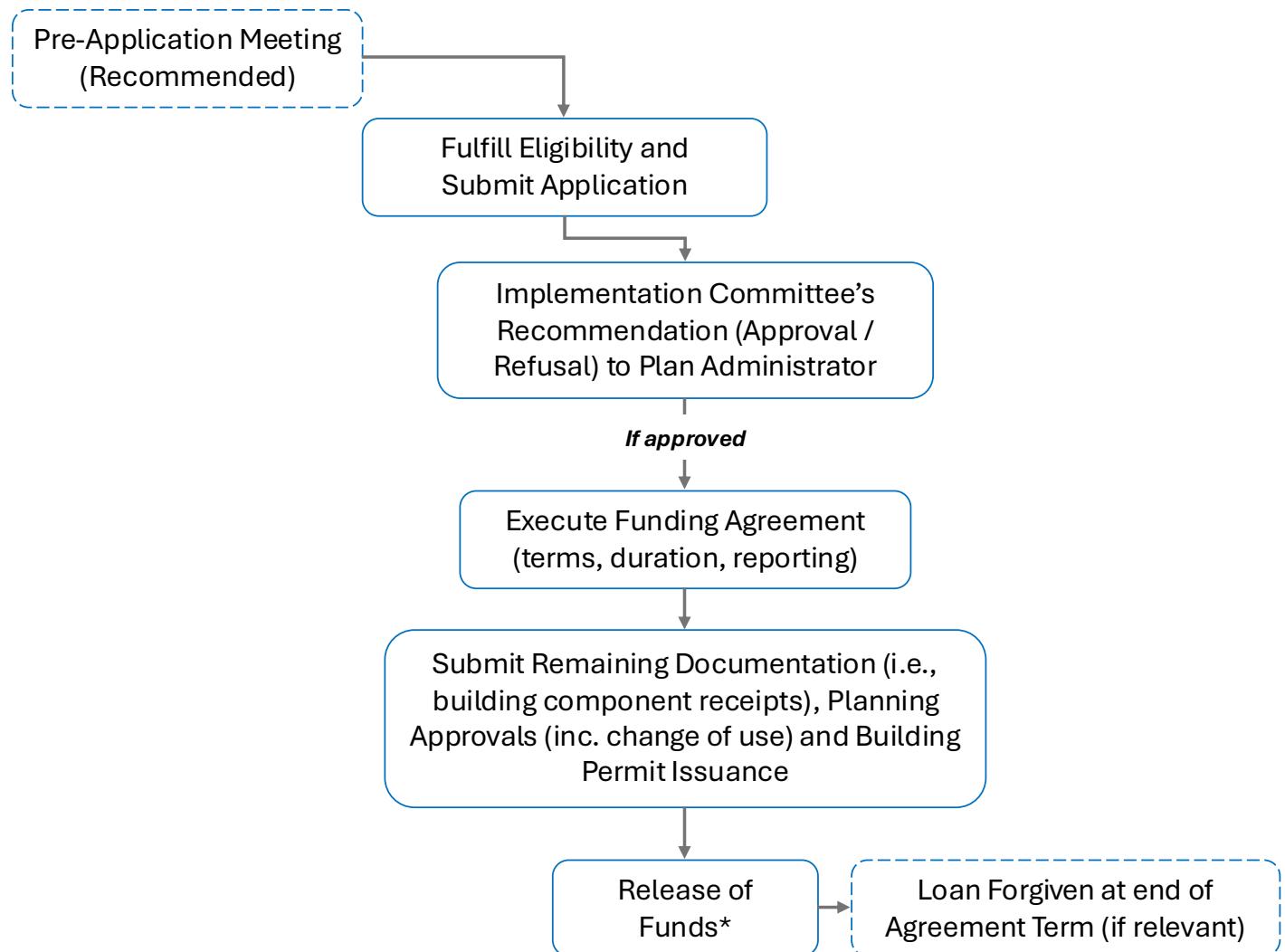


⁵ No associated pre-application meeting cost for the purposes of individual Community Improvement Plan applications.

⁶ No associated application fee.

Figure 1: Grant and Forgivable Loan Incentive Programs - Application Process

Grants and Forgivable Loan Incentive Programs - Application Process

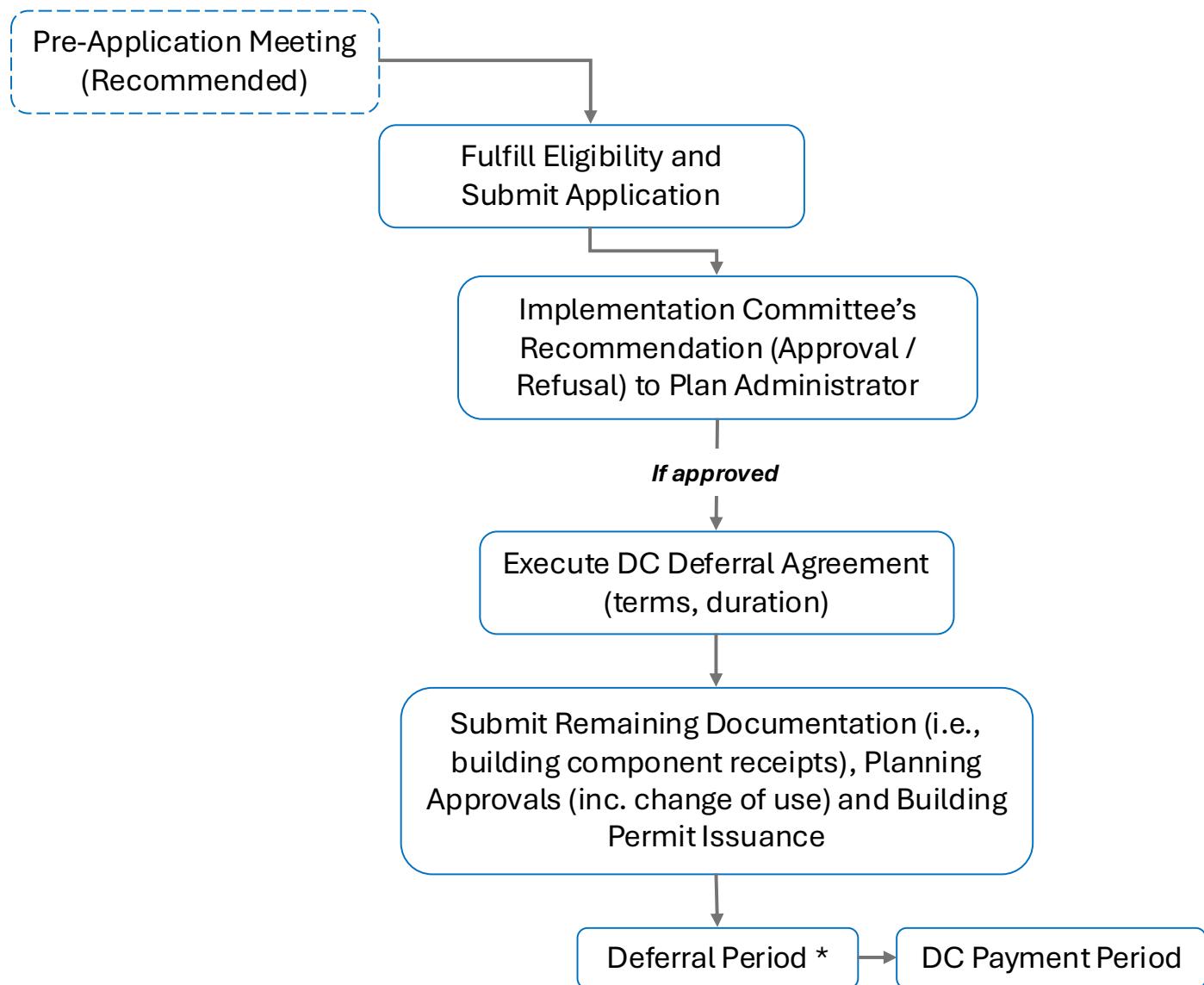


* Note: Funding Release

- Upon building permit (Forgivable Loan)
- Project Completion (Grants)

Figure 2: Development Charge Deferral Incentive Programs – Application Process

Development Charge Deferral Incentive Programs – Application Process



* Note: Deferral of DCs until

- Change of Use (Major Office Incentive Program)
- Time Bound: 10 Years (Convention Centre)

2 Years (Urban Format Supermarket, Grocery Stores and Food Services)

The Implementation Committee is required to take the following steps:

- a. Attend or facilitate pre-application consultation meetings with interested applicants as appropriate;
- b. Review and evaluate submitted applications and supporting materials for recommendation to Plan Administrator for approval or refusal;
- c. Inform applicants of their application status (approved, rejected, pending);
- d. Provide support to applicants for resubmission of applications if application is incomplete or missing criteria, and the application can be resubmitted within the application window; and
- e. Review statements of project completion.

Note: The City reserves the right to inspect any property and building, or audit studies and final costs at the applicant's expense. Further, should the applicant fall into default of any of the requirements of the incentive program or other requirements established by the City, incentives may be delayed, reduced, or cancelled. Applicants may be required to repay benefits to the City.



Application Process

Applications received for financial incentive programs offered through the Community Improvement Plan will require the following, as shown in Table 4.

Application requirements will be outlined in a tailored application form for each financial incentive program. Once an application has been approved, the applicant will be required to enter into a legal agreement with the City to implement the incentive program requirements and may be required to register the agreement on title. For development charge deferral incentive programs, the applicant will enter into the City's development charge deferral agreement prior to building permit issuance, and deferrals will commence upon building permit issuance.

The City is not responsible for any costs incurred through the preparation of an application or costs for the preparation or registration of any required agreement(s) on title.



Table 4: Application Requirements

Application Requirement	Incentive Programs						
	Major Office and Convention Centre DC Deferrals	Urban Format Supermarkets and Grocery Stores for New Construction DC Deferrals	Urban Format Supermarkets, Grocery Stores, and Food Service for Retrofits Forgivable Loan	Urban Agriculture, Creative Industries, Incubation, Co-working Space, or Research Facilities Forgivable Loan	Sustainable Built Environment Grant	Interim Activation Grant	Transportation Demand Management Strategy Forgivable Loan
a. A copy of completed and signed application form	✓	✓	✓	✓	✓	✓	✓
b. A copy of supporting documentation, as determined by the Implementation Committee, which may include but is not limited to:							
i. A statement of how the proposed project meets the overall goals and objectives of the CIP;	✓	✓	✓	✓	✓	✓	✓
ii. Well-composed photographs of existing condition of buildings/ property;			✓	✓	✓	✓	
iii. Historical photographs and/or drawings where available;			✓	✓	✓	✓	

Application Requirement	Incentive Programs							
	Major Office and Convention Centre DC Deferrals	Urban Format Supermarkets and Grocery Stores for New Construction DC Deferrals	Urban Format Supermarkets, Grocery Stores, and Food Service for Retrofits Forgivable Loan	Urban Agriculture, Creative Industries, incubation, Co-working Space, or Research Facilities Forgivable Loan	Sustainable Built Environment Grant	Interim Activation Grant	Transportation Demand Management Strategy Forgivable Loan	
iv. Building permit if applicable and a copy of the site development application, approved change of use, if applicable (at building permit stage), and gross floor area;	✓	✓	✓	✓	✓	✓		
v. Specifications of the proposed project, including design drawings, sketches, renderings, and/or elevation drawings prepared by a qualified professional;	✓	✓	✓	✓	✓	✓		
vi. At least two cost estimates for eligible work provided by a licensed contractor or consultant, as appropriate in the context of the financial incentive program;			✓		✓	✓	✓	

Application Requirement	Incentive Programs						
	Major Office and Convention Centre DC Deferrals	Urban Format Supermarkets and Grocery Stores for New Construction DC Deferrals	Urban Format Supermarkets, Grocery Stores, and Food Service for Retrofits Forgivable Loan	Urban Agriculture, Creative Industries, Incubation, Co-working Space, or Research Facilities Forgivable Loan	Sustainable Built Environment Grant	Interim Activation Grant	Transportation Demand Management Strategy Forgivable Loan
vii. A detailed budget for the work; and			✓	✓	✓	✓	✓
viii. Documentation specific to the incentive program outlined in a Letter of Commitment:			Itemized list of performance-based costs which may include costs for new or upgrades to ventilation, loading, additional storage, or customer accessibility.	End-use type (i.e., urban agriculture, creative industry), tenants and/or target users, and a statement of how the use supports economic development goals.	Proof of gold-threshold level of Sustainability Metrics Program or for retrofits, a description of sustainable benefit, the metrics being sought to implement, and cost of installation.	Statement identifying how the use will drive foot traffic, contribute to community vibrancy, and how success will be measured.	Itemized list of costs for new technologies being adopted. List of overall data of employee numbers and vehicular/truck counts.
c. Any additional requirements or information as determined by the Implementation Committee	✓	✓	✓	✓	✓	✓	✓

Investment Concierge Program

To support applicants in navigating the CIP application process, those who meet the eligibility criteria may be able to utilize the City's established Investment Concierge Program. This program provides applicants with ongoing and priority support from the City through the development and building permit application processes for high-impact commercial, industrial, and office developments.

6.4 Plan and By-law Amendments

When there is an identified need for amendment to this Plan or its implementing By-law, City Council must approve these changes through an amendment to the CIP and/or implementing By-laws. Amendment policies include:

- a. Amendments *will* be required to the Plan or implementing By-laws to extend the implementation period of the Community Improvement Plan itself, revise the Community Improvement Plan Areas, as well as to add any new financial incentive programs, or increase funding provided to financial incentive programs. Amendments to the CIP must be adopted by By-law.
- b. Amendments *will* not be required to reduce funding levels of financial incentive programs, or to activate, deactivate, or discontinue any identified programs.
- c. The City may review and adjust the terms and conditions of the programs contained in the Plan without amendments to the Plan. Minor revisions will be provided to the Ministry of Municipal Affairs and Housing for information purposes.
- d. A comprehensive review of the Plan and all incentive streams should occur every five years, including a third-party evaluation where possible, to assess long-term impacts and alignment with City strategic goals.

The background of the title page is a high-angle photograph of a city. In the foreground, a multi-lane highway is filled with various vehicles, including several large white delivery trucks. To the left, there's a parking lot with a Royal Bank branch. In the middle ground, a large, modern building with a red and white facade is visible. The background features a dense cluster of tall, modern residential and office buildings under a clear blue sky.

7.0 Monitoring Plan

7.0 Monitoring Plan | Keeping the CIP Up-to-Date

The purpose of the Monitoring Plan is to ensure that the Community Improvement Plan programs implemented are receiving uptake, creating benefits, and determine whether the CIP vision, goals, and objectives are being reached. The Monitoring Plan will assist in:

- Tracking and identifying allocated CIP funding and where within the Community Improvement Plan Area (CIPA) it has been applied for reporting to Council;
- Assessing the completion of the CIP vision, goals, and objectives to evaluate program strengths and areas for improvement;
- Considering whether changes or amendments to program criteria, eligibility, finances, or the CIP and/or CIPA itself should be made; and
- Determining if there is a desire to amend the plan for an extension to the implementation period.

As part of the CIP reporting process, data will be collected on an ongoing basis during implementation to keep City staff and Council up to date on CIP application statuses, funding amounts, and outcomes of the CIP. Ongoing data collection will include:

- Successful applications** – number of applications, incentive program applied for, approved value of grants or deferrals by program, approved value of grants or deferrals total, project completion timing and payments, project completion photos, and property tax assessments after project completion (if relevant).
- Marketing and Promotion Tracking** – number of outreach activities, website visits, social media engagements, and inquiries received.
- Economic and Community Outcomes** – number of businesses supported, job creation estimates, space absorption for non-residential, and occupancy at time of activation.

The Implementation Committee will be responsible for the creation of an annual report to City Council which summarizes the data collected on the CIP uptake and successes, as described in Table 5 below.

Table 5: Monitoring Tools for the CIP

CIP Goal	Measure
Complete Communities and Non-Residential Development	
1. Enhance Economic Vitality and Social Connectivity through Increased Mixed-Use Development	<ul style="list-style-type: none"> Number of financial incentives awarded annually by incentive type Geographic distribution of financial incentives by secondary plan areas Total square footage of new and retrofitted grocery and food service retail spaces added Percentage of new office, convention, and supermarket, or grocery space added Share of DC deferrals granted by typology Total square footage of urban agriculture, creative industries, incubation, co-working, and research facilities added Performance post-occupancy (e.g., retention, activation, community benefits) for incentive programs tied to outcomes (i.e., the Interim Activation Grant) Number of development applications and building permits linked to CIP applications
2. Cultivate Partnerships with Stakeholders, Landowners, and Developers, and Recognize for Exemplary Developments	<ul style="list-style-type: none"> Average timeline for development approvals and completed projects Number of applicants that utilize the streamlined permitting and temporary zoning non-financial incentive (applicable to the Interim Activation Grant) Number of projects related to the Sustainable Metric Program Estimated number of jobs created or retained per incentive stream (use self-reported data) Number and value of grants awarded tied to sustainability and improved accessibility
3. Monitor Impact and Adapt Over Time	<ul style="list-style-type: none"> Ongoing recommendations for refinement to the Community Improvement Plan, Community Improvement Plan Area, or the financial and non-financial incentive programs

CIP Goal	Measure
Movement of Goods and Talent	
1. Support Sustainable and Efficient Goods Movement	<ul style="list-style-type: none"> Number of City recommendations made as part of Phase 1, and their statuses Number of implemented solutions Percentage of companies reporting improved delivery times, staff travel, or reduced congestion after program uptake
2. Establish a Targeted Incentive Program	<ul style="list-style-type: none"> Average company size of applicants and type (logistics, distribution, other) Number of companies that have applied for the program and geographic location
3. Monitor Impact and Adapt Over Time	<ul style="list-style-type: none"> Ongoing recommendations for refinement to the Community Improvement Plan, Community Improvement Plan Area, or the financial program

This study may include, but is not limited to, case studies, developer and tenant feedback, how the CIP's goals/objectives are being met, recommendations for adjustments of programs or budgets, or recommendations for amendment.

8.0

Marketing the

CIP

8.0 Marketing the CIP | Promoting Incentives and Opportunities

Supporting the Community Improvement Plan through marketing efforts will be important to its success. The goal is to maximize uptake of available incentives by clearly communicating the benefits to eligible stakeholders, addressing common barriers to participation, and reinforcing Vaughan's commitment to investment readiness.

Marketing activities and outreach for the CIP will be undertaken internally by City staff and may occur as part of the initial launch of the new CIP program and repeated as incentive programs become active. Recommendations for key messages are included in this section.

Why now? Incentives help offset inflation-driven costs, reduce risk for early adopters, and accelerate the delivery of public and private community benefits.

Key messages to be delivered through the marketing of this CIP include:

The **Complete Communities CIP** supports the development of walkable, mixed-use neighbourhoods by offering incentives for grocery and food service retail, the built environment, commercial spaces, and community spaces.

The **Movement of Goods and Talent CIP** provides a tailored financial tool to help logistics, industrial, and large-format employers reduce transportation costs, improve employee access, and enhance goods movement efficiency.

To support CIP promotion, it is recommended that City staff prepare a Marketing Plan to support the CIP.

Glossary of Terms

Glossary of Terms

City means the Corporation of the City of Vaughan.

Community Improvement means the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities, or spaces therefor, as may be appropriate or necessary, as defined in the *Planning Act*.

Community Improvement Plan means a plan for the community improvement of a community improvement project area, as defined in the *Planning Act*.

Community Improvement Project Area means a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings, or for any other environmental, social, or community economic development reason, as defined in the *Planning Act*.

Complete Communities means places such as mixed-use neighbourhoods or other areas within cities, towns, and settlement areas that offer and support opportunities for equitable access to many necessities for daily living for people of all ages and abilities, including an appropriate mix of jobs, a full range of housing, transportation options, Public Service Facilities, local stores, and services. Complete Communities are inclusive and may take different shapes and forms appropriate to their contexts to meet the diverse needs of their populations, as defined in the adopted Vaughan Official Plan, 2025.

Creative Industries, Incubation, Co-working, and Research Spaces: Any space that houses creative industries such as digital products, emerging technologies, interactive installations, visual design, animation and illustration, as well as digital industries, heritage-focused industries, arts-based industries, and music industries. Includes incubation, co-working, and research facilities.

Development Charges Deferral in the context of this CIP means the deferral of development charges for either an indefinite period, unless any of the trigger events listed in the accompanying policies occurs, or time-bound deferrals that allow the deferral of development charges for a set period of time. The development charge deferrals are only applicable to City-Wide development charges and exclude area-specific development charges.

Eligible Costs may include but is not limited to costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities, as defined in the *Planning Act, 1990*.

Food Services includes but is not limited to restaurants and drinking places.

Forgivable Loan in the context of this CIP, means a loan with conditions tied to project completion. If the applicant meets specific criteria, the loan may be forgiven, effectively turning it into a grant. Forgivable loans can significantly reduce the financial risk for applicants undertaking a specific initiative.

Grant in the context of this CIP, means direct non-repayable financial award to an applicant subject to pre-established eligibility and other entitlement criteria, with a requirement to report on results achieved.

Major Office in the context of this CIP, means office uses greater than 75,000 square feet per lot.

Mixed-Use Development means means premises, including one or more buildings, located on the same lot and used for more than one principal use, including any combination of residential, commercial, community, or employment uses, as defined in the City's Zoning By-law 001-2021.

Protected Major Transit Station Area means an area of land identified in an official plan surrounding existing or planned higher order transit stations or stops which contains the policies required pursuant to the Planning Act

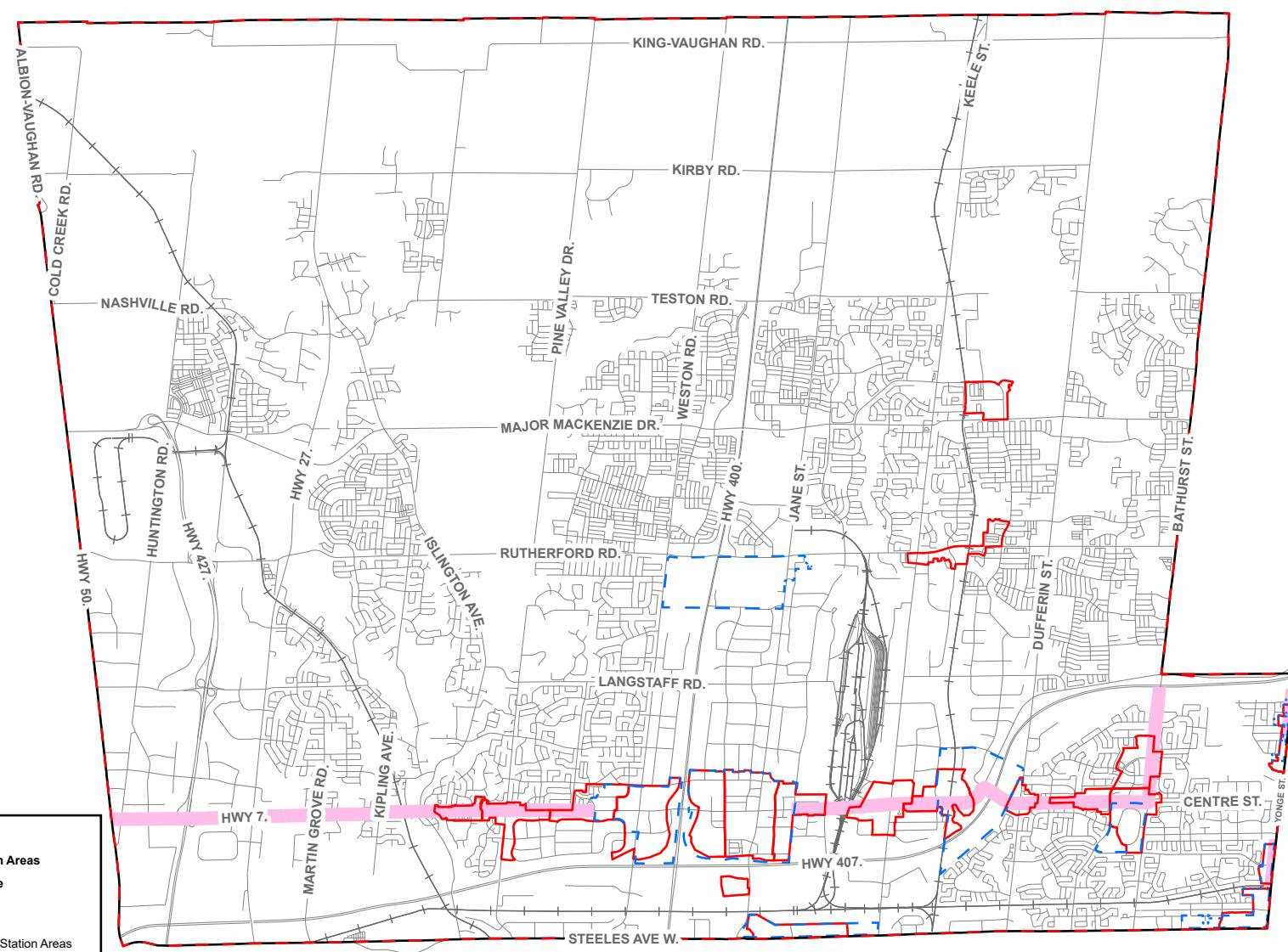
Region means The Regional Municipality of York.

Urban Agriculture means food production in urban areas for personal consumption, commercial sale, education, or therapy. It includes, but is not limited to, container gardening on balconies or rooftops, community gardening, vertical farming, and urban composting.

Urban Format is a description of types of uses that are typically smaller in size located within strategic growth areas within the City. Urban format retail may follow performance standards in policy 7.4.2. of the City-Wide Urban Design Guidelines.



Appendix A: Community Improvement Plan Area



Community Improvement Plan Areas (By-Law 014-2026)

LOCATION:
City of Vaughan

APPLICANT:
City of Vaughan



Policy Planning and
Special Programs

Attachment

FILE:
N/A

A

DATE: January 2026

Appendix B: Financial Incentives and Program Specific Eligibility

Appendix B: Financial Incentives and Program Specific Eligibility

Complete Communities and Non-Residential Development Financial Incentive Programs

Major Office Development Charges Deferral

Purpose and Anticipated Benefits

- a) To incentivize the creation or maintenance of employment in the identified Community Improvement Plan Area.
- b) To incentivize major office uses that would have significant economic benefit to the City, or to fill an existing gap in advancing Vaughan's business economy.

Development Charge Deferral

- a) Outlined as follows:
 - i. 75,000 sq. ft. – 149,999 sq. ft.: 50% development charge deferral;
 - ii. 150,000 sq. ft. – 249,999 sq. ft.: 75% development charge deferral; and,
 - iii. 250,000 sq. ft. – 600,000 sq. ft.: 100% development charge deferral.

Eligibility Criteria

- a) All general criteria set out in Section 5 must be met, as well as any criteria included within the City of Vaughan Major Office DC Deferral Policy.
- b) A minimum floor area of 75,000 sq. ft. in a mixed-urban format.
- c) The office use is a minimum of four storeys above grade.

Eligible Costs

- a)** City-portion office-related development charges due in a standalone or mixed-use building or development, a portion of which is an office building or use.
- b)** The applicant is required to enter into a Development Charges Deferral Agreement with the City at the time of approval, and the agreement will outline program criteria which must be satisfied.
- c)** Projects that are not eligible for a 100% deferral would be required to pay the remaining portion of development charges due as normally required.
- d)** The deferral would only be applied to City-Wide development charges and would not be applicable to area specific development charges.

Payment

- a)** The development charge will be deferred immediately following the date of building permit issuance, until the use of the office building changes to no longer meet the definition of an office building.
- b)** Development charges will be payable at any time should the following occur:
 - i. change of use from an office building;
 - ii. sale, transfer of ownership of the property unless an agreement is entered into;
 - iii. any other material default as defined in the agreement(s) or the Major Office DC Deferral Policy.
- c)** In accordance with the Major Office DC Deferral Policy, the deferral will be subject to interest at prime +2% per annum, compounded, until paid. Interest will be waived if DCs are paid within 15 business days after they become payable. If unpaid after 15 business days, DC amounts and interest may be added to tax roll. Securities required include an agreement registered on title, a Letter of Credit or a Pay-on-Demand Surety Bond.

Convention Centre Development Charges Deferral

Purpose and Anticipated Benefits

- a) To incentivize the creation or maintenance of employment in the identified Community Improvement Plan Area.
- b) To incentivize large-format uses, being a convention centre, that would have significant economic benefit to the City, or to fill an existing gap in advancing Vaughan's business economy.

Development Charges Deferral

- a) A Deferral for up to ten years for a convention centre that includes a minimum of 90,000 sq. ft. of contiguous exhibition hall space.
- b) City will cap this financial incentive at one eligible project that is a minimum of 90,000 sq. ft.

Eligibility Criteria

- a) All general criteria set out in Section 5 must be met, as well as any criteria included in the Convention Centre DC Deferral Policy.
- b) A minimum floor area of 90,000 sq. ft. of contiguous exhibit hall space available on one floor. DC deferral would only apply to the exhibition hall floor space and would not be applicable to any ancillary space, including back of house.
- c) Meets the definition of Place of Assembly under the City of Vaughan Zoning By-law 001-2021.

Eligible Costs

- a) City-portion of development charges due for the convention centre space in a stand-alone or mixed-use development.
- b) The applicant is required to enter into a Development Charges Deferral Agreement with the City at the time of approval, and the agreement will outline program criteria which must be satisfied.
- c) The deferral would only be applied to City-Wide development charges and would not be applicable to area-specific development charges.

Payment

- a) The development charge will be deferred immediately following the date of building permit issuance for a maximum of ten years.
- b) Development charges will be payable at any time should the following occur:
 - i. change of use from convention centre use to a non-eligible use; or
 - ii. any other material default as defined in the agreement(s) or the Convention Centre DC Deferral Policy.
- c) No interest will be applied to the DC deferral, as securities will be required at time of DC Deferral Agreement. Securities acceptable to the City may include: Letter of Credit, Pay-on-Demand Surety Bonds and any others outlined in the Convention Centre DC Deferral Policy.

Urban Format Supermarkets, Grocery Stores for New Construction Development Charges Deferral

Purpose and Anticipated Benefits

- a) To incentivize the development of new construction supermarkets and grocery stores, with or without a food service component, within mixed-use buildings in a minimal, resource-intensive way. The program supports the creation of complete communities by promoting active ground-floor uses and accessible food options in growth centres and along key corridors.

Development Charges Deferral

- a) A deferral for up to two years for a supermarket or grocery store, with or without food service.
- b) For a new construction supermarket or grocery store that is a minimum of 12,000 sq.ft. up to a maximum of 675,000 sq.ft.

Eligibility Criteria

- a) All general criteria set out in Section 5 must be met as well as any criteria included in the City of Vaughan Supermarkets, Grocery Stores, and Food Service DC Deferral Policy.
- b) A minimum floor area of 12,000 sq.ft., inclusive or exclusive of accessory food services and beverage retail.
- c) Supermarkets or grocery stores, with or without service space included (inclusive of food services). Food services and drinking places must be co-located with the supermarket or grocery store.
- d) Building permit issuance must be completed within one year of receiving planning approvals.

Eligible Costs

- a)** City-portion of supermarket or grocery store-related development charges due in a mixed-use building or development.
- b)** The applicant is required to enter into a Development Charges Deferral Agreement with the City at the time of approval, and the agreement will outline program criteria which must be satisfied.
- c)** The deferral would only be applied to City-Wide development charges and would not be applicable to area-specific development charges.

Payment

- a) The development charge will be deferred immediately following the date of building permit issuance for a maximum of two years.
- b) Development charges will be payable at any time should the following occur:
 - i. change of use from supermarket/grocery use to a non-eligible use; or
 - ii. any other material default as defined in the agreement(s) or the Supermarkets, Grocery Stores, and Food Service DC Deferral Policy.
- c) No interest will be applied to the DC deferral, as securities will be required at time of DC Deferral Agreement. Securities acceptable to the City may include: Letter of Credit, Pay-on-Demand Surety Bonds and any others outlined in the Supermarkets, Grocery Stores, and Food Service DC Deferral Policy.

Supermarkets, Grocery Stores, and Food Service for Retrofit Forgivable Loan

Purpose and Anticipated Benefits

- a) To incentivize the development and retrofit of supermarkets, grocery stores, and food service uses in stand-alone or mixed-use buildings in a minimal and resource-efficient way. The program encourages adaptive reuse of existing retail spaces and underutilized sites to promote vibrant, pedestrian-oriented ground floors that support daily needs and create active, fine-grain frontages.

Value of Loan

- a) Up to \$50,000 per project for a retrofitted grocery store.
- b) City budget for financial incentive at a maximum of \$150,000, incentivizing three retrofitted grocery stores.

Eligibility Criteria

- a) All general criteria set out in Section 5 must be met.
- b) A minimum floor area of 12,000 sq. ft. for supermarkets or grocery stores.
- c) Supermarkets or grocery stores, with or without service space included (inclusive of food services).
- d) Food services and drinking places can be stand-alone with food and beverage retail.
- e) Building permit issuance must be completed within one year of receiving planning approvals.

Eligible Costs

- a) Building materials and labour required for construction.
- b) Works related to Ontario Building Code or Fire Code compliance, such as structural, electrical, ventilation, fire protection, including associated insulation, plumbing, and HVAC or similar building components, as well as refrigeration.
- c) Cost associated with professional consulting service fees and City services.
- d) Finishing materials such as painting, drywall, flooring, trim, and permanent light fixtures.

Payment

- a) The Forgivable Loan will be provided upon building permit issuance or at the discretion of the City. The Forgivable Loan may be paid in a lump sum or in intervals at the discretion of the City.
- b) The applicant must show receipts for building components prior to release of funds.
- c) The Forgivable Loan will be provided upon a signed Agreement or at the discretion of the City. The Forgivable Loan may be paid in a lump sum or in intervals at the discretion of the City.
- d) No interest or repayment of the Forgivable Loan is required for the duration of the agreement, and upon successful completion of the program criteria, the Forgivable Loan shall be forgiven at the end of the agreement term, requiring no repayment by the applicant.
- e) If at any time the applicant is found to be in breach of the agreement, or has failed to meet program criteria, the applicant will be required to repay the loan back to the City, in accordance with the Agreement.

Urban Agriculture, Creative Industries, Incubation, Co-working, or Research Facilities Forgivable Loan

Purpose and Anticipated Benefits

- a) To incentivize various non-residential uses to increase urban neighbourhood vibrancy and support maintaining employment, commercial, and office uses with a focus on urban agriculture, creative industries, incubation, co-working, or research facilities.

Value of Loan

- a) Up to \$50,000 per project to a maximum of 80% of project cost (determined based on gross floor area of total site of use, excluding residential components).
- b) City budget for financial incentive at a maximum of \$250,000, incentivizing five projects.

Eligibility Criteria

- a) Meets the definition of urban agriculture, creative industries, digital industries, incubation.
- b) A partnership with a non-profit organization must be made.
- c) The use can be permanent or interim based.
- d) **Ineligible uses** include dance studio facilities.
- e) This program cannot be stacked with the Interim Activations (Retail or Recreation Use) Grant.

Eligible Costs

- a) Building materials and labour required for construction.
- b) Works related to Ontario Building Code or Fire Code compliance, such as structural, electrical, ventilation, fire protection, including associated insulation, plumbing, and HVAC or similar building components.
- c) Cost of professional service fees and City services associated with the use, such as landscaping, planning, and design services.
- d) Finishing materials such as painting, drywall, flooring, trim, and permanent light fixtures.
- e) Costs directly related and necessary to the establishment of the use or co-location.

Payment

- a) The study must comply with the description of the incentive program set out in this CIP.
- b) The Forgivable Loan will be provided upon a signed Agreement or at the discretion of the City. The Forgivable Loan may be paid in a lump sum or in intervals at the discretion of the City.
- c) No interest or repayment of the Forgivable Loan is required for the duration of the agreement, and upon successful project completion, the Forgivable Loan shall be forgiven at the end of the agreement term, requiring no repayment by the applicant.
- d) If at any time the applicant is found to be in breach of the agreement, or has failed to meet program criteria, the applicant will be required to repay the loan back to the City, in accordance with the Agreement.

Sustainable Built Environment Grant

Purpose and Anticipated Benefits

- a) To incentivize accessible and sustainable design features in accordance with the City of Vaughan Sustainability Metrics Program that enhance the built environment and support the development of complete communities.
- b) To incentivize and reward new projects meeting a gold threshold and the retrofit of spaces that align with outcomes of the Sustainability Metrics Program.

Value of Grant

- a) Cost-sharing grant of up to 80% or to a maximum of \$20,000 per project.
- b) City budget for financial incentive at a maximum of \$140,000 for seven projects.

Eligibility Criteria

- a) All general criteria set out in Section 5 must be met.
- b) Scope of work is being contained on private property.
- c) Retrofit or installation applications will not be subject to meeting the gold threshold of the Sustainability Metrics Program and will rather be tiered to the amount of the proposed installation.
- d) At least 80% of metrics that are committed to shall be implemented.
- e) Applicants with planning approvals issued the day this CIP and its associated By-law come into effect may be eligible provided they prove their new development will meet the gold threshold of the Sustainability Metrics Program.
- f) Building permit issuance must be completed within one year of receiving planning approvals.

Eligible Costs

- a) Cost of professional consulting service fees and City services.
- b) The installation of the chosen Sustainability Metrics Program metric to be implemented, as determined in the applicant's development and CIP incentive program applications and Agreement.

Payment

- a) The Grant will be provided upon a signed Agreement or at the discretion of the City and proof of installation of the metric(s) or at occupancy stage. The Grant may be paid in a lump sum or in intervals at the discretion of the City as a reimbursement of costs incurred.

Interim Activations (Retail or Recreational Use) Grant

Purpose and Anticipated Benefits

- a) To incentivize interim uses for retail or recreation that animate spaces, normalize foot traffic, and test the commercial viability of a space.
- b) To improve market confidence and community perception during build-out phases by supporting community-focused interim activations.

Value of Grant

- a) Cost-sharing grant of up to 80% or to a maximum of \$50,000 per project.
- b) City budget for financial incentive at a maximum of \$250,000 for five projects.

Eligibility Criteria

- a) All general criteria set out in Section 5 must be met.
- b) Temporary indoor or outdoor retail installations and interim use recreational spaces must be activated for at least one year.

Eligible Costs

- a) Physical infrastructure costs associated with the implementation of the use.
- b) **Ineligible costs** include, but are not limited to, operational costs or City-related costs or services.

Payment

- a) Grant payment will be provided upon proof of project completion, paid in a lump sum as a reimbursement for the costs incurred.
- b) The Grant will be provided upon a signed Agreement or at the discretion of the City and proof of project completion. The Grant may be paid in a lump sum or in intervals at the discretion of the City as a reimbursement of costs incurred.

Efficient Movement of Goods and Talent Financial Incentive Program

Transportation Demand Management Strategy Forgivable Loan

Purpose and Anticipated Benefits

- a) To incentivize companies that are large contributors to vehicular and truck traffic to undertake a transportation strategy that provides solutions for the movement of goods and talent.
- b) To provide the City of Vaughan with access to ongoing data collection associated with the transportation strategy.
- c) To follow a two-phase process to realize transportation solutions: Phase 1 will include recommendations and required actions made by the City for the company to implement. Phase 2 will allow for future top-up funding to be provided to the applicant to support the implementation of the recommendations and required actions.

Value of Loan

- a) A forgivable loan of up to \$25,000 per company.
- b) City budget for financial incentive at a maximum of \$1,000,000 for forty projects.

Eligibility Criteria

- a) All general criteria set out in Section 5 must be met.
- b) Any company within the City that is a large employer (100 employees or more).
- c) Any size of company that is in the distribution or logistics industry.
- d) Applicants are required to commit to actions recommended by the City.

Eligible Costs

- a) Cost associated with professional consulting service fees.
- b) Top-up funding provided for costs associated with implementing actions recommended by the City.

Payment

- a) The study must comply with the description of the incentive program set out in this CIP.
- b) The completed study will become shared property of the City and the successful applicant.
- c) The Forgivable Loan will be provided upon a signed Agreement or at the discretion of the City. The Forgivable Loan may be paid in a lump sum or in intervals at the discretion of the City.
- d) No interest or repayment of the Forgivable Loan is required for the duration of the agreement, and upon successful implementation of the required actions advised by the City, the Forgivable Loan shall be forgiven at the end of the agreement term, requiring no repayment by the applicant.
- e) If at any time the applicant is found to be in breach of the agreement, or has failed to meet program criteria, the applicant will be required to repay the loan back to the City, in accordance with the Agreement.