



Report to: General Committee

Meeting Date: June 18, 2018

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**SUBJECT:** Ontario's Main Street Revitalization Initiative Fund –  
Municipal Funding Agreement  
**PREPARED BY:** Sara Tam, Manager of Business Planning & Innovation,  
Ext. 7533

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**RECOMMENDATION:**

- 1) THAT the report, "Ontario's Main Street Revitalization Initiative Fund – Municipal Funding Agreement", be received;
- 2) THAT the City of Markham's allocation from the Province of Ontario in the amount of \$320,609.39, as administered by the Association of Municipalities of Ontario, be utilized for eligible projects in the three commercial areas for streetscape-related improvements with the funding distributed as follows:
  - a. \$140,304.53 for Main Street Unionville (Municipal Road);
  - b. \$140,304.53 for Main Street Markham (Municipal Road);
  - c. \$40,000.33 for Yonge Street within the Heritage District (Regional Road);
- 3) THAT Council authorize the Mayor and the City Clerk to sign the Municipal Funding Agreement for the Main Street Revitalization Initiative with the Association of Municipalities of Ontario;
- 4) THAT Council pass an enacting bylaw in Attachment #1 as required by the Association of Municipalities of Ontario;
- 5) That a new reserve fund be established titled Main Street Revitalization Initiative Reserve Fund in the amount of \$320,609.39 for the purpose of funding eligible Main Street Revitalization projects and held in an interest bearing account until the earliest expenditure or March 31, 2020;
- 6) AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

The purpose of the report is to inform Members of Council of the Province of Ontario Main Street Revitalization Initiative, communicate the funding amount allocated to the City of Markham, seek authorization to execute a by-law and a funding agreement, and approve the recommended funding allocation by area for the Main Street Revitalization Initiative.

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**BACKGROUND:**

The Province of Ontario's Main Street Revitalization Initiative (MSRI) has been designed to support capital improvements for energy efficiency, accessibility, aesthetics, and marketability of small businesses within main street areas, and encourage strategic public investments in municipal and other public infrastructure within main street areas that will support small businesses. About one-third of Ontario workers are employed by small businesses, which are businesses that employ less than 100 paid employees. MSRI funding allocation to municipalities was made using population size based on the most recent data from the 2016 Statistics Canada Census of Population.

Effective April 1, 2018, the Association of Municipalities of Ontario (AMO) has assumed the role as the MSRI fund administrator on behalf of the Ministry of Agriculture, Food and Rural Affairs (OMAFRA). AMO has provided supporting information to Ontario municipalities, including but not limited to the transfer agreement between the Province and AMO, funding allocation by municipality (as of March 12, 2018), Municipal Funding Agreement, and a funding guide. The City of Markham has to accept and authorize the signing of the Municipal Funding Agreement and establish an enacting by-law in order to receive its allocated share of funds from the Main Street Revitalization Initiative by June 29, 2018.

**OPTIONS/ DISCUSSION:**

The City of Markham was notified that it is eligible to receive \$320,609.39 from the Ontario's Main Street Revitalization Initiative, subject to fulfilment of its program parameters. MSRI program was established by OMAFRA without the need for an application or matching funding. Municipalities can fund 100% of total project costs with MSRI funds. If a municipal project is using multiple sources of funding in addition to MSRI, the project also has to be eligible under the terms and conditions of these multiple programs.

MSRI program parameters and conditions specified municipalities can identify projects in one or both of the two available categories and that they have until March 31, 2020 to spend the funds on the eligible projects:

1. Implementation of priority financial incentives in existing Community Improvement Plans such as:
  - Commercial building façade improvements;
  - Preservation and adaptive reuse of heritage and industrial buildings;
  - Provision of affordable housing;
  - Space conversion for residential and commercial uses;
  - Structural improvements to buildings (e.g. Building Code upgrades);
  - Improvement of community energy efficiency; and
  - Accessibility enhancements.
2. Funding of strategic municipal physical infrastructure such as:
  - Signage – wayfinding/directional, and gateway;
  - Streetscaping and landscape improvements – lighting, banners, murals, street furniture, interpretive elements, public art, urban forestation,

accessibility, telecommunications/broadband equipment, parking, active transportation infrastructure (e.g. bike racks/storage, cycling lanes and paths) and pedestrian walkways/trails; and

- Marketing plan implementation – business attraction and promotion activities, special events.

Other conditions include a description of eligible costs, ineligible costs, communications and reporting requirements, electronic execution of a Municipal Funding Agreement, and an enacting by-law.

Staff are recommending that the allocation be apportioned to three commercial areas, namely Main Street Markham, Main Street Unionville, and Yonge Street / Thornhill Heritage District. Since Yonge Street is a Regional Road with plans for a major streetscaping work in conjunction with the Yonge Subway Extension, it is proposed that the allocation be smaller than the funding for the other two locations, which are Markham-owned roads/public realm. The types of projects being considered for all three areas are related to the Council-approved Public Realm Strategy. The Public Realm Strategy focuses on gateways, public space enhancements that support pedestrians, community engagement, and business development. The types of initiatives identified in Markham's Public Realm Strategy aligns well to the goals of the Main Street Revitalization Initiative. Staff will draw upon our public realm initiatives, which include signage, public space enhancements, horticultural containers, trees, benches, bike racks and other rehabilitations, to determine the eligible projects that will receive MSRI funding.

Staff will be reviewing stakeholder feedback received to date on areas for potential improvement. Once the costing and the eligible projects are finalized, they will be shared with all members of Council.

### **FINANCIAL CONSIDERATIONS**

AMO has specified municipalities will not have to complete audits. Instead, the program will use a risk-based approach that recognizes municipalities as a mature and accountable order of government. In addition, AMO will audit approximately 10% of municipalities annually to provide assurance to Ontario on municipal compliance. The funds of \$320,609.39 are required to be kept in an interest bearing reserve account until the earliest expenditure or March 31, 2020. Operations staff will prepare capital budget sheets for each commercial area describing the eligible projects. It is expected that the projects will be undertaken in 2019 and completed as required by March 31, 2020.

### **HUMAN RESOURCES CONSIDERATIONS**

N/A

### **ALIGNMENT WITH STRATEGIC PRIORITIES:**


This report supports the 2015-2019 Building Markham's Future Together strategic plan by focusing on the goals of Engaged, Diverse & Thriving City and Stewardship of Money & Resources.

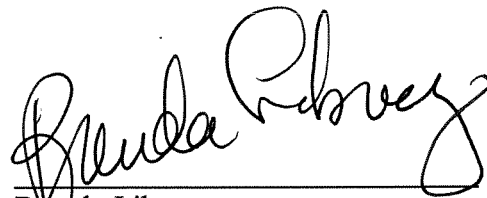
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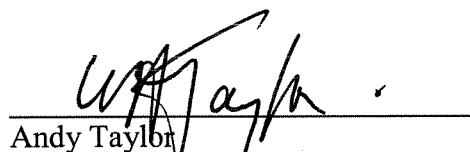
**BUSINESS UNITS CONSULTED AND AFFECTED:**

All Commissions were consulted.

**RECOMMENDED BY:**

  
\_\_\_\_\_  
Morgan Jones  
Director, Operations

  
\_\_\_\_\_  
Brenda Librecz  
Commissioner, Community & Fire  
Services

  
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Andy Taylor  
Chief Administrative Officer

**ATTACHMENTS:**

1. Enabling By-law – to enter into an Agreement in order to participate in Ontario's Main Street Revitalization Initiative.

By-law Number \_\_\_\_\_

A By-law to authorize the Mayor and Clerk to enter into an Agreement in order to participate in Ontario's Main Street Revitalization Initiative.

**WHEREAS** the Province of Ontario is making funds available for the purposes of supporting Main Street Revitalization Initiatives in Ontario:

**WHEREAS** the Association of Municipalities of Ontario (AMO) is a signatory to Ontario's Main Street Revitalization Initiative Transfer Payment Agreement;

**WHEREAS** The Corporation of the City of Markham (the "City of Markham") wishes to enter into an Agreement with AMO in order to participate in Ontario's Main Street Revitalization Initiative; and

**WHEREAS** the City of Markham acknowledges that Funds in the amount of \$306,966 to be received through the Agreement must be invested in an interest bearing reserve account until the earliest of expenditure or March 31, 2020;

**NOW THEREFORE**, the Council of the City of Markham, a municipal corporation established pursuant to the Municipal Act, 2001 enacts as follows:

1. that the Mayor and City Clerk are hereby authorized and directed to execute a Municipal Funding Agreement for the transfer of Main Street Revitalization Initiative funds from the Association of Municipalities of Ontario to the City of Markham, in a form and content satisfactory to the Commissioner of Community and Fire Services and the City Solicitor.

Read a first, second and third time and passed on \_\_\_\_ day of \_\_\_\_\_, 2018

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Kimberley Kitteringham  
City Clerk

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Frank Scarpitti  
Mayor