

# Start-up Space Leasehold Improvement Grant Program Guidelines

Adopted February 2021

City of Owen Sound  
Community Services Department  
Planning & Heritage Division

# Table of Contents

Content	Page #
Program Goals & Purpose	3
Program Area	4
Map of the Program Area	5
Why the Downtown?	6
Program Incentives	7
Who is Eligible?	8
What is Eligible?	9
Electrical, Plumbing & Heating	10
Partitions, Ceilings & Rooms	11

Content	Page #
Painting	12
Flooring	13
Masonry & Woodwork	14
Windows	15
Other Eligible Expenses	16
Ineligible Expenses	17
Contact	18

# Program Goals & Purpose

The purpose of the **Start-up Space Leasehold Improvement Grant Program** is to assist new businesses and start-up companies to ‘set-up-shop’ by providing grants for the financing of permanent leasehold improvements to commercial or mixed-use spaces that increase the marketability of the property and commercial rental units.

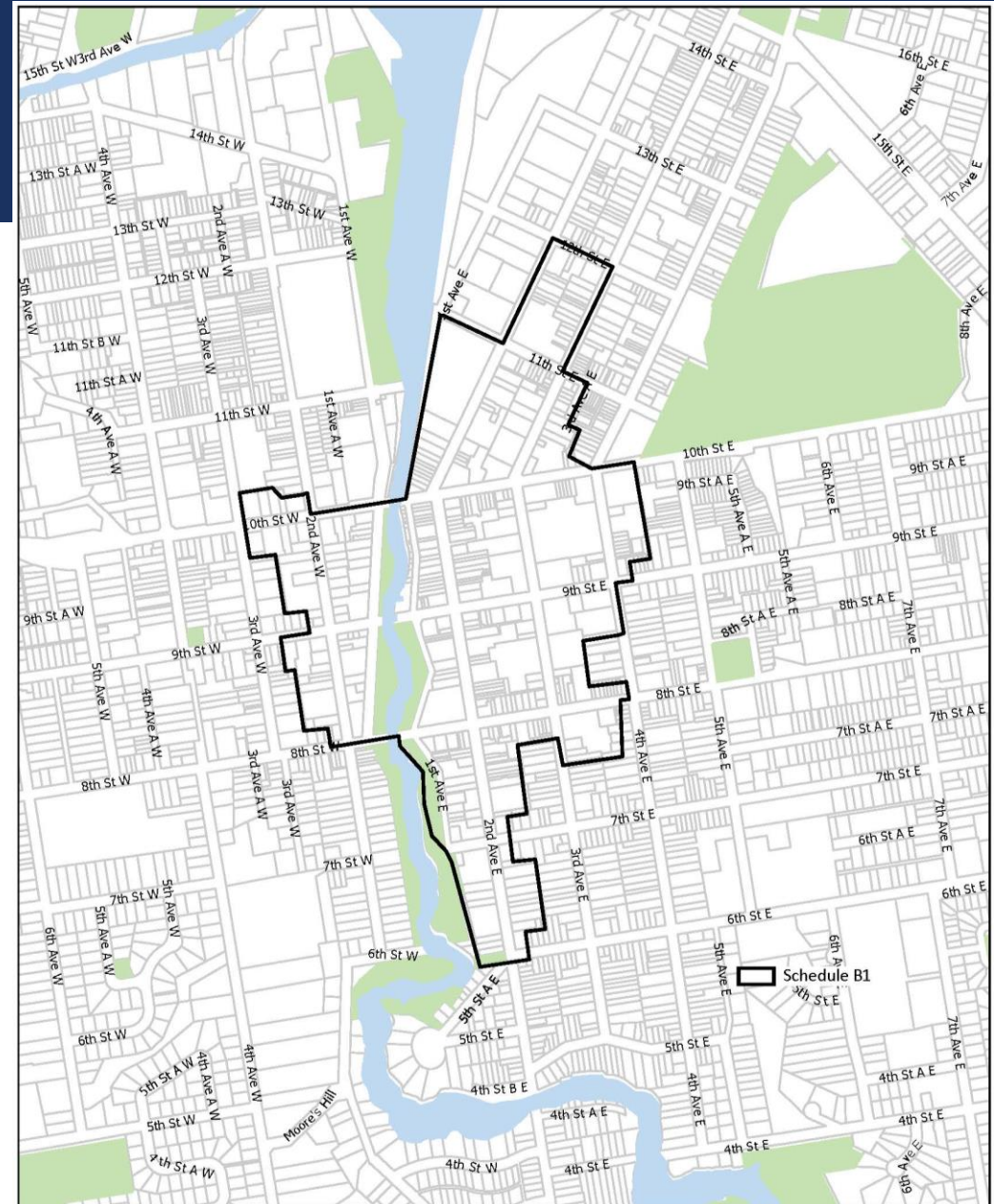


# Program Area

- The Program Area establishes the boundaries for which the Start-up Grant Leasehold Improvement Grant Program applies.
- These boundaries are set by the City's Community Improvement Plan, which establishes a framework for the City's support and implementation of programs to encourage private investment and promote the ongoing viability and revitalization of the Downtown and Harbour Area.
- For the purposes of the Start-up Space Leasehold Improvement Grant Program, the Project Area is limited to the City's Downtown as shown on page 5 and Schedule B1 of the City's Official Plan.

# Map of the Program Area

- This map shows the boundaries of the Program Area for which the Start-up Space Leasehold Improvement Grant Program applies.



# Why The Downtown?

- The City's Official Plan (2006) highlights the Downtown as a focal point for commercial, social and cultural activities in the City and as a major shopping destination in the area.
- The Official Plan identifies the following key objectives respecting the Downtown:
  - Maintain and enhance the importance of the Downtown as a focus for growth and a key economic, financial, cultural and employment resources of the City and Region (3.2.2.9 & 3.3.2.5).
  - Protect and enhance the City's character, distinct heritage and Downtown (3.6.2.1).
  - Maintain a clearly defined and visible Downtown which is vibrant, active and attractive to visitors and maintains its heritage qualities (3.6.2.2).
- The policies of the Official Plan further encourage a strong retail sector in this area and the provision of a strong street front retail shopping and compact pedestrian environment, primarily along 2<sup>nd</sup> Avenue East and the adjacent blocks of 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> Streets East (Section 4.2.3).
- The City intends to utilize the Start-up Space Leasehold Improvement Grant Program as a means to achieving these goals and objectives of the Official Plan by incentivizing the infilling of vacant sites along pedestrian retail frontages, the upgrading of interior building elements, and encouraging the Downtown as the first location for new businesses.

# Program Incentives

- The Start-up Space Leasehold Improvement Grant Program provides a capital grant up to 50 percent (50%) of eligible costs, to a maximum of \$5,000.
- An eligible applicant is not permitted to receive Start-up Space Leasehold Improvement Grant funding in combination with Vacant Building Conversion and Expansion Grant funding.
- Applications to the Start-up Space Leasehold Improvement Grant Program are processed on a first come, first served basis.
- Projects must have a minimum cost of \$1,500 in order to be considered eligible.

# Who is Eligible?

- Property owners and authorized tenants looking to establish a new business or start-up company within a **Commercial or Mixed-Use** building, as defined by the City's Community Improvement Plan, located in the City's Downtown are eligible to apply for funding under this program.
- For the purposes of this program, a Start-up shall generally satisfy one of the following criteria:
  - A new business that has not previously been located within the City's Downtown.
  - A business currently located within the City's Downtown that has existed for less than two (2) consecutive years.
- Where a property owner does not satisfy one of the criteria above, they must be matched with a perspective Start-up prior to submitting an application.
- Applicants will be required to submit sufficient documentation, to the satisfaction of the City, that their respective business satisfies the definition of a Start-up and intends to locate within the Downtown. Documentation may be in the form of a sign lease agreement, affidavit, or business plan.
- Funding may be applied to start-up areas located on both the ground floor of a building and/or the upper storeys. However, where a property has a vacant ground floor storefront, the upper storeys will be considered ineligible until the ground floor storefront is occupied.



# What is Eligible?

- The Start-up Space Leasehold Improvement Program encourages and incentivizes interior leasehold improvements to buildings in the City's Downtown.
- Interior leasehold improvements are fixtures or improvements made to rental premises in order to customize the rental unit for the specific needs of a tenant or to improve the quality of a property overall.
- Examples of eligible interior leasehold improvements have been included on pages 10 to 20 of these program guidelines. These examples are not intended as an exhaustive list. In all cases, applicants should discuss their respective project with City staff prior to submitting an application.
- Compliance with the City's Zoning By-law in force and effect at the time of program application and a Building Permit from the City's Building Division is a requirement for all interior leasehold improvements under this program.

# Electrical, Plumbing & Heating

- Installation, repair or reinstallation of electrical wiring or fixtures, plumbing, heating, cable, telephone, fibre and other service-specific installations are considered eligible. This includes costs associated with retaining a qualified tradesperson.
- For clarity, incidental fees for these services (e.g., bills, set up fees, shipping) are not considered eligible.



# Partitions, Ceilings & Rooms

- The installation, alteration, repair and/or restoration of permanent partitions or rooms and the installation or repair of ceilings and walls are considered eligible.
- New permanent partitions or walls may be used to create new offices, boardrooms, change rooms or storage spaces.



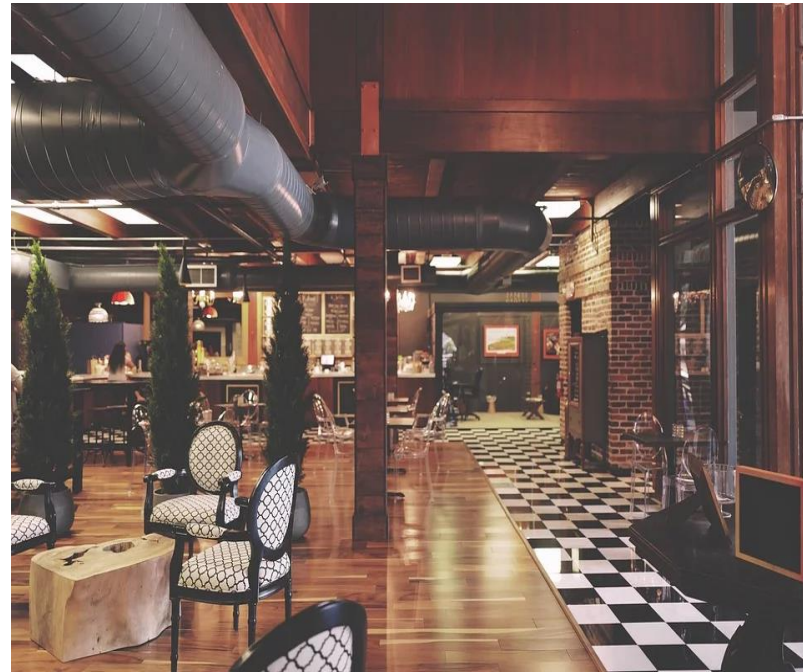
# Painting

- The painting, repainting or re-facing of interior platforms, wall and surfaces are considered eligible.
- A list of colours and finishes are required to be included on all plans when submitting a Start-up Space Leasehold Improvement Program Application.
- Painting previously unpainted interior masonry (brick or stone) will not be considered eligible.
- Interior painting applications that are specific to the proposed business or prospective tenant (e.g., logos, murals) will not be considered eligible.



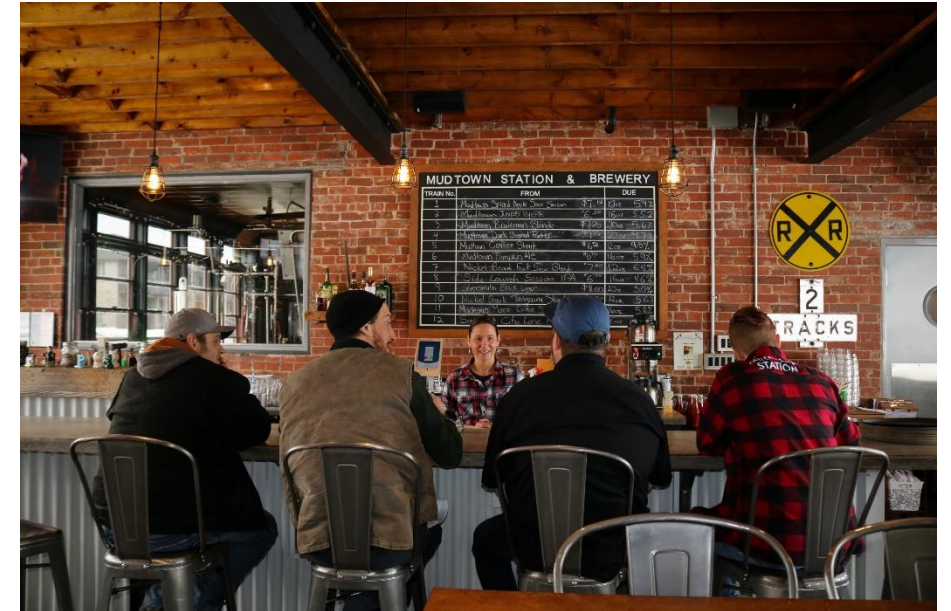
# Flooring

- The installation or repair of flooring is considered eligible.
- The repair or restoration of flooring original to the construction of a building is encouraged.



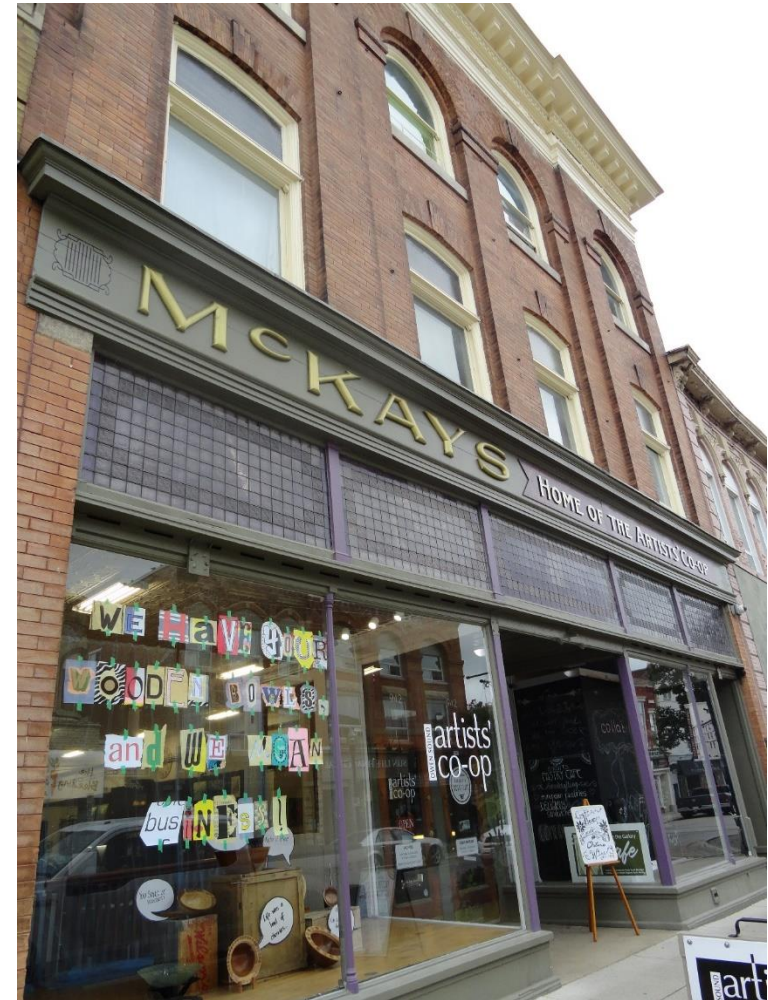
# Masonry & Woodwork

- Installation, repair or restoration of interior masonry (stone or brick) or woodwork is considered eligible.
- The repair or restoration of original architectural features, having heritage value, is encouraged.



# Windows

- The installation, repair or replacement of windows not covered under the City's Façade and Structural Improvement Grant Program is considered eligible.
- Projects that remove original windows will generally not be considered eligible.
- Replacement windows should be the same size and configuration as the original windows they replace.



# Other Eligible Expenses

The following are additional examples of expenses that are considered eligible for grant funding under this program:

- Installation or repair of fixed cabinets and other structurally permanent elements and fixtures (e.g., guards and handrails).
- The repair or restoration of architectural and/or historic features, such as decorative mouldings or features original to the construction of a building.
- Machinery and equipment that is bolted to the floor or “permanent” in any other sense (e.g., commercial kitchen appliances), are considered eligible.
- The demolition or removal of fixtures and non-conforming or hazardous materials (e.g., asbestos).



# Ineligible Expenses

The following types of expenses will be considered ineligible for grant funding under this program:

- Any non-permanent or removable fixtures.
- Any furnishings, including office and common area furnishings, computers, and art.
- Any intangible assets, such as software, human resources, or outsourced services.
- Any consumables, such as mats, office supplies, stationery, or plants.
- Any items specific to the proposed current tenant which would be deemed unusable or undesirable to future tenants.
- Corrections to comply any Building Code, Fire Code or Property Standards orders.
- Taxes, levies, interest, permit fees not charged by the City, or other incidental fees.

# Contact

For further information on the Start-up Space Leasehold Improvement Grant Program or to discuss your project with a City staff member, please contact:

**Community Services Department**

**Planning & Heritage Division**

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Owen Sound, ON N4K 2H4

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