

## Employment Land Community Improvement Plan – Request for Adoption

Presented To:	Planning Committee
Meeting Date:	June 26, 2023
Type:	Public Hearing
Prepared by:	Melissa Riou Planning Services
Recommended by:	General Manager of Growth and Infrastructure
File Number:	CIP-2023-01

### Report Summary

This report provides a recommendation regarding the approval of the City’s Employment Land Community Improvement Plan.

### Resolution

THAT the City of Greater Sudbury approves the attached Employment Land Community Improvement Plan as outlined in the report entitled “Employment Land Community Improvement Plan – Request for Adoption”, from the General Manager of Growth and Infrastructure, presented at the Planning Committee Meeting of June 26, 2023.

### Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

The Employment Land Community Improvement Plan aligns with Council’s Strategic Priorities including “Business Attraction, Development and Retention” and “Economic Capacity and Investment Readiness”. Specifically, goals 2.2.C, “Create plans that leverage the full capacity of the Greater Sudbury and Northern Ontario Mining Cluster to support further integration and expansion”, and 4.2.D “ensuring that municipal capital project priorities appropriately consider economic impacts and the potential for private development”. Further, priority 1.4 directs staff to develop an employment land strategy and community improvement plan that links infrastructure and economic development and ensures that the city has an adequate supply of serviced employment land and incentive framework in place to stimulate investment, development and job creation.

Providing incentives to develop, redevelop and intensify employment lands within Greater Sudbury is consistent with Goal 1 of the CEEP, which seeks to help sustain compact, complete communities.

The Employment Lands CIP encourages investment in the Clean Tech and Life Sciences sectors with a goal of creating a cleaner, healthier community by reducing pollution, improving air quality and water quality, which aligns with the CEEP goals.

## Financial Implications

There are no financial implications associated with this report at this time. If approved, it is anticipated that an average of 8 to 10 projects having construction values over \$1,000,000 could be eligible for the program on an annual basis. The value of the grants will vary based on the construction value and incremental increase in municipal taxes.

If approved, all Employment Lands CIP Tax Increment Equivalent Grants (TIEG) will be funded by assessment growth the year where property taxes have been levied and the property has been reassessed. This means that a grant/transfer payment will be included in future years budgets, however the municipality will experience assessment growth to offset this incremental increase.

## Background

A draft Employment Land Community Improvement Plan was presented at the March 28, 2023 Finance and Administration Committee meeting. The associated report outlined the basis for the new community improvement plan, the municipal best practice review and recommendations regarding a new CIP (see Reference 1).

Council directed staff to initiate the Planning Act process to adopt the draft Employment Land Community Improvement Plan.

### Public Consultation:

As noted in the March 28, 2023 report, staff consulted with several municipalities to gain insight on successes and challenges experienced during the creation, implementation and delivery of recent employment and industrial community improvement plans. Municipalities consistently shared that the most effective form of development incentive is the Tax Increment Equivalent Grant (TIEG). Following Council direction to initiate the Planning Act process, staff circulated the draft Employment Land Community Improvement Plan to the Ministry of Municipal Affairs and Housing (MMAH) and have received comments (see Attachment 2). The comments received from MMAH are related to clarification around the implementation of certain sections of the CIP as well as comments on other land use planning policies in the areas of applicability. Staff note that the implementation language in the Employment Land CIP mirrors language currently found in the City's other Community Improvement Plans. Additionally, the strategic employment areas identified in the Employment Land CIP are for the purposes of evaluating individual applications and do not, in and of themselves, grant any land use permissions. To qualify for the CIP incentives, proponents would have to be able to obtain a building permit, which is governed by existing land use planning policies and by-laws. As a result, no amendments to the CIP are proposed resulting from the comments received. The City has also updated the Employment Land Strategy Over To You website (Reference 2) to include information on implementation of the Employment Land Strategy, including the proposed Employment Land Community Improvement Plan. Notice of the Open Houses and Public Hearing was published in the Sudbury Start and Le Voyageur, and sent via email to the prescribed persons and public bodies.

Staff held virtual Open Houses on June 13<sup>th</sup> and June 14<sup>th</sup>.

No other comments, e-mails or phone calls were received from the public as of the writing of the report.

### Policy and Regulatory Framework:

The Employment Land CIP is subject to the following policy and regulatory framework:

- [Municipal Act, 2001](#)
- [Planning Act](#)
- [2020 Provincial Policy Statement](#)

- [2011 Growth Plan for Northern Ontario](#)
- [Official Plan for the City of Greater Sudbury, 2006](#)

Provincial legislation, Provincial Policy Statements and geographically specific Provincial Plans, along with municipal Official Plans, provide a policy framework for planning and development in the Province. This framework is implemented through a range of land use planning tools such as Official Plans and Community Improvement Plans.

### **Municipal Act, 2001 and the Planning Act**

Under the Municipal Act, 2001, municipalities are prohibited from directly or indirectly assisting any manufacturing business or other industrial or commercial enterprises through the granting of certain financial incentives (generally called "bonusing"). Prohibited actions include giving or lending money, or municipal property; leasing or selling any municipal property at below fair market value; guaranteeing borrowing; giving a total or partial exemption from any levy, charge or fee.

Despite the general prohibition against bonusing, the Province enables municipalities to designate community improvement project areas and to develop community improvement plans under Section 28 of the Planning Act. These plans allow municipalities to focus on local priorities and municipal initiatives; target areas in transition or in need of repair, rehabilitation and redevelopment; facilitate and encourage community change in a coordinated manner; and, stimulate private sector investment through municipal incentive-based programs.

The Planning Act defines 'community improvement' as 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."

The City has developed a number of financial incentives through the City's various community improvement plans. These financial incentives are available to any proponent within the community improvement project areas. These CIPs include the following:

- Brownfield Strategy and Community Improvement Plan (adopted in 2011);
- Affordable Housing Community Improvement Plan (adopted in 2018);
- Strategic Core Area Community Improvement Plan (2022).

### **Provincial Policy Statement, 2020 (PPS)**

Municipalities in the Province of Ontario are required under Section 3 of the Planning Act to ensure that decisions affecting planning matters are consistent with the Provincial Policy Statement.

The Employment Land Community Improvement Plan is directly linked to promoting economic development and competitiveness. The applicable policies are set out under Sections 1.3 and 1.7 as follows:

#### 1.3 Employment

1.3.1 Planning authorities shall promote economic development and competitiveness by:

- a) providing for an appropriate mix and range of employment, institutional, and broader mixed uses to meet long-term needs;
- b) providing opportunities for a diversified economic base, including maintaining a range and choice of suitable sites for employment uses which support a wide range of economic activities and ancillary uses, and take into account the needs of existing and future

- businesses;
- c) facilitating the conditions for economic investment by identifying strategic sites for investment, monitoring the availability and suitability of employment sites, including market-ready sites, and seeking to address potential barriers to investment;
  - d) encouraging compact, mixed-use development that incorporates compatible employment uses to support liveable and resilient communities, with consideration of housing policy 1.4; and
  - e) ensuring the necessary infrastructure is provided to support current and projected needs.

### 1.3.2 Employment Areas

1.3.2.1 Planning authorities shall plan for, protect and preserve employment areas for current and future uses and ensure that the necessary infrastructure is provided to support current and projected needs.

1.3.2.2 At the time of the official plan review or update, planning authorities should assess employment areas identified in local official plans to ensure that this designation is appropriate to the planned function of the employment area. Employment areas planned for industrial and manufacturing uses shall provide for separation or mitigation from sensitive land uses to maintain the long-term operational and economic viability of the planned uses and function of these areas.

1.3.2.3 Within employment areas planned for industrial or manufacturing uses, planning authorities shall prohibit residential uses and prohibit or limit other sensitive land uses that are not ancillary to the primary employment uses in order to maintain land use compatibility. Employment areas planned for industrial or manufacturing uses should include an appropriate transition to adjacent non-employment areas.

1.3.2.4 Planning authorities may permit conversion of lands within employment areas to non-employment uses through a comprehensive review, only where it has been demonstrated that the land is not required for employment purposes over the long term and that there is a need for the conversion.

1.3.2.5 Notwithstanding policy 1.3.2.4, and until the official plan review or update in policy 1.3.2.4 is undertaken and completed, lands within existing employment areas may be converted to a designation that permits non-employment uses provided the area has not been identified as provincially significant through a provincial plan exercise or as regionally significant by a regional economic development corporation working together with affected upper and single-tier municipalities and subject to the following:

- a) there is an identified need for the conversion and the land is not required for employment purposes over the long term;
- b) the proposed uses would not adversely affect the overall viability of the employment area; and
- c) existing or planned infrastructure and public service facilities are available to accommodate the proposed uses.

1.3.2.6 Planning authorities shall protect employment areas in proximity to major goods movement facilities and corridors for employment uses that require those locations.

1.3.2.7 Planning authorities may plan beyond 25 years for the long-term protection of employment areas provided lands are not designated beyond the planning horizon identified in policy 1.1.2.

1.7.1 Long-term economic prosperity should be supported by:

- a) promoting opportunities for economic development and community investment-readiness;
- d) maintaining and, where possible, enhancing the vitality and viability of downtowns and mainstreets;

## **Growth Plan for Northern Ontario (GPNO)**

Municipalities in the Province of Ontario are required under Section 3 of the Planning Act to ensure that

decisions affecting planning matters conform with the Growth Plan for Northern Ontario.

The Growth Plan for Northern Ontario (GPNO) supports the growth and diversification of the region's resource-based industries and seeks to nurture and develop new and emerging economic sectors that have the greatest potential to bring new jobs and opportunities to the North and optimize its competitive advantages in the global economy. The GPNO is a strategic framework that guides decision-making and investment planning in Northern Ontario until 2036. Per the GPNO, the Province will collaborate with the federal government, as well as business and industry, municipalities, Aboriginal communities and organizations, the education and research sectors, and community organizations on economic development strategies for existing and emerging priority economic sectors.

The City of Greater Sudbury introduced the Employment Land Strategy in 2022 and is currently implementing recommendations of the Strategy including the development of the Employment Land Community Improvement Plan. The City's efforts through the ELS align with the economic development priorities set out in the GPNO.

### **Official Plan for the City of Greater Sudbury, 2006**

Section 15 of The City of Greater Sudbury Official Plan provides for the use of Community Improvement Plans within the City. Additionally, section 15.2 of the Official Plan designates the entire City of Greater Sudbury as a Community Improvement Project Area. The Official Plan states that the objectives of Community Improvement Plans are to:

- Enhance the quality of the physical and social environment through the development, redevelopment, preservation and rehabilitation of certain areas of the City;
- Undertake comprehensive community improvement programs with respect to identified projects or designated community improvement areas; and,
- Increase employment, economic activity and investment in the City.

### **Conclusion**

The proposed Employment Land Community Improvement Plan responds to Council's 2019-2027 Strategic Plan, is consistent with the 2020 PPS, does not conflict with the Growth Plan for Northern Ontario, and conforms with the Official Plan for the City of Greater Sudbury. Staff recommends that the Employment Land Community Improvement Plan be approved and that the necessary by-law be prepared.

### **Resources Cited**

1. "Employment Land Community Improvement Plan", report presented at the March 28, 2023 Finance and Administration Committee Meeting <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=ae6bd894-2141-428a-a303-6b18a1a6fd7c&Agenda=Agenda&lang=English&Item=25&Tab=attachments>
2. "Employment Land Strategy Implementation", Over to You Website, last updated May 15, 2023 <https://overtoyou.greatersudbury.ca/els>
3. "Community Improvement Plan Process and Funding", report presented at the September 14, 2021 Council Meeting <https://pub-greatersudbury.escribemeetings.com/filestream.ashx?DocumentId=41791>
4. "Employment Land Strategy", report presented at the August 9, 2022 Finance and Administration Committee <https://pub-greatersudbury.escribemeetings.com/filestream.ashx?DocumentId=47318>