

## **Amendment No. 1 to the Strategic Core Areas Community Improvement Plan**

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| Presented To:   | Planning Committee                              |
| Meeting Date:   | December 4, 2023                                |
| Type:           | Public Hearing                                  |
| Prepared by:    | Ed Landry<br>Planning Services                  |
| Recommended by: | General Manager of<br>Growth and Infrastructure |
| File Number:    | N/A   |

### **Report Summary**

This report provides a recommendation regarding an amendment to the Strategic Core Areas Community Improvement Plan.

### **Resolution**

THAT the City of Greater Sudbury approves the amendment to the Strategic Core Areas Community Improvement Plan, as outlined in the report entitled “Amendment No. 1 to the Strategic Core Areas Community Improvement Plan”, from the General Manager of Growth and Infrastructure, presented at the Planning Committee meeting of December 4, 2023.

AND THAT staff be directed to prepare a by-law.

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

The City of Greater Sudbury, through Council’s Corporate Strategic Plan (2019-2027) directs staff to prioritize Economic Capacity and Investment Readiness. Objective 2.4 aims to “Revitalize Greater Sudbury’s Downtown and Town Centres with Public Investment that Supports Private Investment.”

Providing incentives to develop and redevelop the city's built-up cores is consistent with Goal 1 of the CEEP, which seeks to help sustain compact, complete communities.

### **Financial Implications**

There are no financial implications associated with this report at this time. Council approved an ongoing allocation of \$250,000 to the Tax Rate Stabilization Reserve – Committed to fund current and future Community Improvement Plan Applications. Should Council adopt the proposed Strategic Core Areas Community Improvement Plan Amendment staff would continue to report on CIP Reserves and Commitment with every application.

# Background

## Adoption and Background of SCACIP

Following a 5-year review of existing financial incentive programs, the City adopted a new Strategic Core Areas Community Improvement Plan (SCACIP - See Reference 1). The SCACIP replaced the former Downtown Sudbury Community Improvement Plan as well as the former Town Centre Community Improvement Plan. This work was completed in line with recommendations of the Economic Recovery Report (See Reference 2) as well as the City's Nodes and Corridors Strategy (See Reference 3).

Per the Growth Plan for Northern Ontario, "strategic core areas" are defined as "medium-to-high" density areas within identified municipalities [including Greater Sudbury] that are priority areas for long-term revitalization, intensification and investment. These areas may consist of downtown areas, and other key nodes and **significant corridors** [emphasis added]." The current focus of the SCACIP is on the nodes of Greater Sudbury by providing grants and loans to attract new commercial and office tenants, increase residential units, improve façades, rebate planning and building fees, etc.

Council has recently directed Staff to provide a Tax Incentive Equivalent Grant (TIEG) Program for the City's corridors.

## August 15, 2023 Motion

Council passed the following motion (CC2023-207 – See Reference 4) on August 15, 2023:

"WHEREAS the City of Greater Sudbury endorsed a City-wide Nodes and Corridors Strategy in 2016;

AND WHEREAS Council, by Resolution CC2022-73 approved Finance and Administration Committee resolutions FA2022-08 to FA2022-13 from the meeting of March 29th, 2022;

AND WHEREAS resolution FA2022-08-A1 read as follows:

"THAT Staff include in their 2023 workplan a review of options for a Nodes and Corridors Community Improvement Plan focused on Tax Increment Equivalent Grants";

AND WHEREAS the City of Greater Sudbury adopted the Strategic Core Areas Community Improvement Plan on August 9th, 2022;

AND WHEREAS, as part of the ongoing work of developing a Housing Supply Strategy, the City of Greater Sudbury completed a Housing Supply and Demand Analysis that demonstrates a current need for multi-unit residential rental units in the City;

THEREFORE BE IT RESOLVED that staff be directed to initiate the process under the Planning Act to amend the City of Greater Sudbury Strategic Core Areas Community Improvement Plan to include a new program for the City's corridors that would include the following elements:

1. Financial incentives composed of Tax Increment Equivalent Grants (TIEG) targeted at the creation of multi-residential units along the City's identified corridors;
2. Program parameters offering TIEGs of 5 years for developments of between 30 and 100 multiple residential units and TIEGs of 10 years for developments with greater than 100 multiple residential units;
3. A limited duration of the CIP program of 5 years to encourage the rapid creation of rental housing in the City;

4. Areas of applicability along the City's corridors as identified in the City's Development Charges By-law."

### **September 19, 2023 Direction**

On September 19, 2023, Council directed Staff to return with options regarding the establishment of criteria to assist Council in assessing and prioritizing requests beyond the maximum program amounts established in the SCACIP (See Reference 5). Staff is recommending that the existing policy on maximums be refocused to residential development only.

Policy 9 of Section 3.2.1 is proposed to be amended so that the City would consider applications that exceed the maximum program amounts for the Residential Incentive Program only, as follows:

"The City may receive applications that exceed the maximum program amounts for the Residential Incentive Program only. Such applications must include a minimum of 10 units. The funds provided the City shall not exceed 50% of the cost to construct budget prepared by a qualified professional and submitted as part of the application. In evaluating these requests, the City will consider its housing targets outlined in the Housing Supply Strategy."

The criteria have been incorporated into the proposed amendment.

### **Highlights of the SCACIPA**

Staff has prepared the proposed Amendment No. 1 to the Strategic Core Areas Community Improvement Plan which:

- Introduces the Corridor concept throughout, including a new series of Schedule B, based on the DC by-law (per Council direction)
- Introduces a Corridors TIEG with the following parameters:
  - a 5-year grant where development includes a minimum of 30 units up to 100 units. In years one through three of the program, the grant to the property owner/tenant is equal to 100% of the tax increment. In years four and five, the grant decreases to 50% of the tax increment.
  - a 10-year grant where development is greater than 100 units. In years one through five of the program, the grant to the property owner/tenant is equal to 100% of the tax increment. In years six through ten, the grant decreases to 50% of the tax increment.
  - That the program will cease on December 31, 2028, unless an extension is provided by City Council via resolution.
- Introduces criteria to assess requests beyond maximum program limits. The criteria are focused on residential development.
- Other housekeeping matters

A red-lined version of the SCACIPA is included as Attachment A to this report.

### **Public Consultation:**

Staff has circulated the draft SCACIPA to the Ministry of Municipal Affairs and Housing, as required under the Planning Act. The City has also set up an Over-To-You website. Notice of the Open Houses and Public Hearing was published in the Sudbury Star and Le Voyageur, and sent via mail to the prescribed persons and public bodies.

Staff held virtual Open Houses on November 29 and 30. Staff will provide a summary of comments received and will respond where appropriate, at the Public Hearing on December 4, 2023.

## **Policy and Regulatory Framework:**

The SCACIPA 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 public attention 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 several 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 Areas Community Improvement Plan (adopted in 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 SCACIP is directly linked to building strong and healthy communities. The applicable policies are set out under Sections 1.1 and 1.7 as follows:

1.1.1 Healthy, liveable and safe communities are sustained by:

- a) promoting efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term;
- b) accommodating an appropriate affordable and market-based range and mix of residential types (including single-detached, additional residential units, multi-unit housing, affordable housing and housing for older persons), employment (including industrial and commercial), institutional (including places of worship, cemeteries and long-term care homes), recreation, park and open space, and other uses to meet long-term needs;
- e) promoting the integration of land use planning, growth management, transit-supportive development, intensification and infrastructure planning to achieve cost-effective development patterns, optimization of transit investments, and standards to minimize land consumption and servicing costs;
- g) ensuring that necessary infrastructure and public service facilities are or will be available to meet current and projected needs;

1.1.3.1 Settlement areas shall be the focus of growth and development.

1.1.3.2 Land use patterns within settlement areas shall be based on densities and a mix of land uses which:

- a) efficiently use land and resources;
- b) are appropriate for, and efficiently use, the infrastructure and public service facilities which are planned or available, and avoid the need for their unjustified and/or uneconomical expansion;
- c) minimize negative impacts to air quality and climate change, and promote energy efficiency;
- d) prepare for the impacts of a changing climate;
- e) support active transportation;
- f) are transit-supportive, where transit is planned, exists or may be developed;

Land use patterns within settlement areas shall also be based on a range of uses and opportunities for intensification and redevelopment in accordance with the criteria in policy 1.1.3.3, where this can be accommodated.

1.1.3.3 Planning authorities shall identify appropriate locations and promote opportunities for transit-supportive development, accommodating a significant supply and range of housing options through intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs.

1.1.3.4 Appropriate development standards should be promoted which facilitate intensification, redevelopment and compact form, while avoiding or mitigating risks to public health and safety.

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) identifies Greater Sudbury as having Strategic Core Areas. The GPNO is a strategic framework that guides decision-making and investment planning in Northern Ontario until 2036. Per the GPNO, municipalities that contain strategic core areas are encouraged to plan for these areas to function as vibrant, walkable, mixed-use districts that can:

- a. attract employment uses and clusters, including office and retail
- b. accommodate higher densities
- c. provide a broad range of amenities accessible to residents and visitors including vibrant streetscapes, shopping, entertainment, transportation connections, lodging, and educational, health, social and cultural services.

“Strategic Core Areas” is defined in the GPNO as “medium-to-high density areas within identified municipalities that are priority areas for long-term revitalization, intensification and investment. These areas may consist of downtown areas, and other key nodes and significant corridors.”

The City of Greater Sudbury introduced the Strategic Core Area concept into the City Official Plan via Phase One of the Official Plan Review. The City adopted the Strategic Core Areas Community Improvement Plan (SCACIP), focused on the nodes. The proposed amendment, focused on the city’s corridors, would further complement the City’s efforts under the Nodes and Corridors Strategy.

## **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 Amendment No. 1 to the Strategic Core Areas Community Improvement Plan (SCACIP) 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 SCACIP be approved and that the necessary by-laws be prepared.

## **Resources Cited**

1. Strategic Core Areas Community Improvement Plan  
<https://www.greatersudbury.ca/do-business/planning-and-development/community-improvement-plans-and-incentive-programs/financial-incentive-programs/strategic-core-areas-community-improvement-plan/pdfs/scacip-plan/>
2. “Economic Recovery Action Items” report presented at the November 17, 2020 Finance and Administration Committee Meeting  
<https://pub-greatersudbury.escribemeetings.com/filestream.ashx?documentid=38651>
3. “Proposed City-wide Nodes and Corridors Strategy”, report presented at the September 26, 2016

Planning Committee Meeting

<https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=10413>

4. "CIP Amendment to Include TIEGs for Multi-Residential Development", Motion (CC2023-207) presented at the August 15, 2023 Council Meeting:  
<https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=50646>
5. "Community Improvement Plan Funding – 2023 Annual Report", report presented at the September 19, 2023 Finance and Administration Committee Meeting.  
<https://pub-greatersudbury.escribemeetings.com/filestream.ashx?DocumentId=50935>