

Strategic Core Areas Community Improvement Plan Review

Presented To:	Finance and Administration Committee
Meeting Date:	April 22, 2025
Туре:	Managers' Reports
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Recommended by:	General Manager of Growth and Infrastructure

Report Summary

This report provides a recommendation regarding proposed changes to programs and areas of applicability in the proposed Greater Sudbury Community Improvement Plan.

Resolution

THAT The City of Greater Sudbury directs staff to return by the end of June 2025, with a Public Hearing under the *Planning Act* for the proposed Greater Sudbury Community Improvement Plan, as outlined in the report entitled "Strategic Core Areas Community Improvement Plan Review" from the General Manager of Growth and Infrastructure, presented at the Finance and Administration Committee meeting on April 22, 2025.

Relationship to the Strategic Plan, Health Impact Assessment and Climate Action Plans

The proposed Community Improvement Plan aligns with Council's Strategic Priorities including "Revitalize Greater Sudbury's Downtown and Town Centres with Public Investment that Supports Private Investment," "Expand Affordable and Attainable Housing Options," and "Develop and Promote Solutions to Support Existing Housing Choices."

Providing incentives for development and redevelopment in built up areas also supports the creation of compact, complete communities, Goal 1 of the CEEP.

Financial Implications

There are no financial implications associated with this report. Council has budgeted an annual allocation of \$250,000 which is placed in reserve for current and future CIP uses.

Background

Strategic Core Area Community Improvement Plan (SCACIP)

The Planning Act allows municipalities to create community improvement plans (CIPs) and to make grants or loans to owners and tenants for projects that are in conformity with a CIP. The City of Greater Sudbury's Official Plan states that the objectives of CIPs are to:

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

Seven financial incentive programs are available under the SCACIP to help stimulate development and redevelopment. The available programs are:

- Tax Increment Equivalent Grant Programs (Standard, Superstack, and Parking Structure)
- Façade Improvement Program
- Planning and Building Fee Rebate Program
- Residential Incentive Program (Per-Door Grant)
- Commercial Vacancy Leasehold Program (expired in August, 2024)
- Business Improvement Tenant Attraction Loan Program (Council directed staff in June 2024 to pause accepting loan applications)
- Feasibility Grant Program

The SCACIP currently includes, or partially includes the following areas:

- Capreol
- Chelmsford
- Copper Cliff
- Downtown Sudbury

Levack

Kathleen Street

Lively

•

Corridors

• Flour Mill

These programs can be used in conjunction with other incentive programs offered by the City, including the Affordable Housing Community Improvement Plan (AHCIP) and the Brownfield Strategy and Community Improvement Plan (BSCIP).

Proposed Greater Sudbury Community Improvement Plan

On June 18, 2024, staff presented its review of the City's incentive programs along with a range of policy options. Council directed staff to prepare an amendment to the Strategic Core Areas Community Improvement Plan (See Reference 1).

Staff presented an amendment of the SCACIP in January 2025 (See Reference 2). Staff recommended the combination of the three CIPs into one new Greater Sudbury CIP (GSCIP). The proposed incentive programs at the time included:

- Tax Increment Equivalent Grant (Standard, Superstack, Corridors, Parking Structure)
- Façade Improvement Grant
- Planning and Building Fee Rebates
- Residential Incentive Grant
- Additional Dwelling Unit Incentive
- Professional Study Grant
- Tax Assistance Program

It was noted that many of these programs currently apply throughout all of Greater Sudbury, and in particular the Affordable Housing CIP and the Brownfield Strategy and CIP.

Council subsequently directed staff to:

- commence the public consultation process on the draft GSCIP; and,
- return by the end of April 2025 with an analysis of the City's Development Charge (DC) exempt areas along with recommendations regarding new and existing Community Improvement Project Areas, and recommended applicable incentive programs for each new and existing project area.

Analysis

Development Charges By-law (2019-100)

Exempt Areas

The DC By-law specifically exempts Development Charges from Schedule "E" (full exemption) and Schedule "F" areas (50% exemption on multi-residential development). A listing and comparison of these areas can be found in Attachments C and D (in table format) of this report.

Observations

Staff visited and pulled data related to the DC exempt areas. The following observations can be made:

- 1. Development Charge Exempt Areas each have different characteristics. Some have a higher percentage of commercially-zoned properties (e.g., Capreol, Copper Cliff, Lively), others have a higher percentage of residentially-zoned properties (e.g., Flour Mill, Garson, Dowling), and others are about half and half commercial/residential (e.g., Chelmsford, Val Caron).
- The existing project areas of the Strategic Core Areas Community Improvement Plan can be characterized generally as having mixed-use, multi-storey building stock, typically with a zero-lot line (i.e., the building is built to the sidewalk).
- 3. Conversely, the balance of the DC exempt areas can be characterized generally as having singleuse, single-storey building stock, typically with buildings set back from the street, with on-site parking in front of the building.
- 4. Between 2017-2024, approximately 837 building permits were issued for the Schedule "E" DC exempt areas, 481 building permits for the Schedule "F" exemption areas, and 1458 Building Permits issued in the corridors.
- 5. Over the same period, the City has processed 84 planning applications within the Schedule "E" DC exempt areas, 29 planning applications within the Schedule "F" exemption areas, and 188 planning applications within the corridors.
- 6. In the Schedule "E" DC exempt areas, 16 of 84 applications were rezoning applications. Of those, 7 (8.3% of all Schedule "E" applications) related to multi-residential development.
- 7. In the Schedule "F" areas, 6 of 29 applications were rezoning applications. Of those, 1 rezoning (3.4% of all Schedule "F" applications) related to multi-residential development.

Housing Supply

Greater Sudbury Housing Supply Strategy

Greater Sudbury's Housing Supply Strategy aims to ensure that all current and future residents have access to housing options that meet their needs at all stages of life and are attainable at all income levels. The strategy encourages thoughtful, targeted, and sustainable residential development to grow the City's population and local economy.

The strategy includes 17 broad focus areas to achieve its goals, such as expanding affordable and attainable housing options and promoting solutions to support existing housing choices. It also aligns with the City's strategic priorities and involves collaboration with various stakeholders, including government bodies, post-secondary institutions, the construction industry, service providers, and non-profits (See Reference 3).

Housing Needs Assessment

Staff presented an updated Housing Needs Assessment (HNA) in March, 2025 (See Reference 4). The update was a requirement under the Canada Housing Infrastructure Fund (CHIF) as well as the Housing Accelerator Fund (HAF). The HNA demonstrates that there's an anticipated increase in need of single, semidetached, row and apartment dwellings. This updated HNA is now posted on the City's Housing Supply Strategy Website (See Reference 3).

Housing Accelerator Fund (HAF)

The City was successful in its 2024 application to the Housing Accelerator Fund. As part of Initiative 1 of the City's Action Plan, the City committed to enhance the community improvement plan and housing-related incentives. The initiative "would support the development of a range of housing, with a focus on multi-residential and missing middle, within areas that are walkable and provide access to a wide variety of amenities and services as well as supporting the development of affordable housing" (See Reference 5).

Community Improvement Plan Funding

Community Improvement Plans are the means by which the City provides financial incentives for the development and redevelopment of properties to meet Council's goals regarding revitalization, brownfield redevelopment, affordable housing, etc. CIP funding is achieved by balancing a CIP Fund composed of four parts:

- 1) Annual allocation of \$250,000 which is placed in reserve for current and future CIP uses.
- 2) Repayment of CIP loans are contributed back to the program.
- 3) Any other funding source to be used for CIP purposes, including top-up funding anticipated as part of the 2024 Housing Accelerator Fund Action Plan¹ (See Reference 5)
- 4) Minus the funds committed to active CIP agreements,

These funds support approved CIP applications with the exception of Tax Increment Equivalent Grants (TIEG) that are funded when the reassessment of property value occurs and the increase in taxation is payable.

Since 2017, Council has contributed a total of \$5,150,760 for CIP programs. To date, the City has issued approximately \$1.8M in grants and loans and has approximately \$2.8M in remaining commitments. The CIP fund currently has a balance of approximately \$1,000,000.

¹ Staff will return in mid-2025 with a HAF Implementation Plan which will include recommendations on the allocation of HAF monies, including an analysis on anticipated contribution to CIP funding

Recommendations

- 1. That the following DC exempt areas from Schedules E and F be included as additional Schedule A areas in the Greater Sudbury Community Improvement Plan:
 - a. Azilda
 - b. Coniston
 - c. Dowling Town Centre
 - d. Garson Town Centre
 - e. Hanmer Mixed Use Commercial Area

- f. Onaping
- g. Val Caron Mixed Use Commercial Area
- h. Wahnapitae
- i. Walden Town Centre
- 2. That the City create a new "Housing Accelerator Program" applicable to the nodes, and that the Planning and Building Permit Fee rebate program be refocused to apply only to the creation of housing. The new proposed "Housing Accelerator Program" would provide incentives of \$20 per square foot or \$20,000 per dwelling unit (whichever is the lesser) for the creation of new residential units. The program would have maximum amount of \$200,000 per property with payment only occurring after occupancy is issued by the City. It is also recommended that the program include a sunset clause and a minimum of three net new dwelling units are created to qualify.
- 3. That the City tailor eligibility criteria for the façade improvement program to provide further guidance on desired aesthetics, historical preservation, durability, energy efficiency, and accessibility.
- 4. That the City proceed with a public hearing under the Planning Act by June of 2025, with a view of adopting the GSCIP by mid-year.
- 5. That staff continue its work on the Downtown Sudbury Master Plan, and return at the conclusion of that process with any applicable amendments to the Greater Sudbury CIP.

Summary

Staff proposed a Greater Sudbury Community Improvement Plan (GSCIP) in January 2025 based on an earlier review of the City's incentive framework. Council subsequently directed staff to analyze the City's Development Charge (DC) exempt areas and provide recommendations regarding new and existing Community Improvement Project Areas and recommend applicable incentive programs for each new and existing project area.

Staff has visited and analyzed the Schedule "E" and "F" DC exempt areas based on existing zoning, as well as the number of building permits and planning applications received over the 2017-2024 period. Overall, staff found that both new commercial and residential redevelopment is occurring within the proposed nodes. According to the City's Housing Supply Strategy, and per the updated Housing Needs Assessment, staff has identified that offering incentives for at least three new dwelling units (per development proposal) in the nodes would promote a currently underrepresented housing option within the housing continuum.



THE HOUSING CONTINUUM

(Source: Canada Mortgage Housing Corporation)

The resulting proposed GSCIP would include additional nodes (See Attachments A and B, respectively). The proposed framework would incentivize eligible market housing in the nodes and affordable housing in the built-up areas of the city (See Schedule C of Attachment B).

Staff should now be directed to return by the end of June, 2025 with a Public Hearing under the Planning Act to amend the CIP.

Resources Cited

- 1. "Community Improvement Plan Review," report presented at the June 18, 2024 Finance and Administration Committee Meeting https://pub-greatersudbury.escribemeetings.com/filestream.ashx?DocumentId=53833
- "2025 Community Improvement Plan Review," report presented at the January 28, 2025 Finance and Administration Committee Meeting <u>https://pub-greatersudbury.escribemeetings.com/filestream.ashx?DocumentId=55833</u>
- 3. Greater Sudbury Housing Supply Strategy <u>https://overtoyou.greatersudbury.ca/housing-supply-strategy</u>
- 4. "Housing Needs Assessment," report presented at the March 24, 2025 Planning Committee Meeting <u>https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=ec0b3944-90af-45aa-b872-</u> <u>9e2485e8288d&Agenda=Agenda&lang=English&Item=25&Tab=attachments</u>
- 5. "Appendix A Housing Accelerator Fund" presented at the August 13, 2024 meeting of Council. <u>filestream.ashx</u>