

# THE CITY OF GREATER SUDBURY TOWN CENTRE COMMUNITY IMPROVEMENT PLAN

## 1.0 PLAN BACKGROUND

### 1.1 Introduction

The following Community Improvement Plan (CIP) has been prepared to allow the City of Greater Sudbury to use powers afforded through section 28 (7) of the *Planning Act* to use grants, loans and tax increment financing made to registered or assessed owners of lands and buildings within the designated area. This power allows the City the opportunity to develop innovative approaches to providing financial incentives for redevelopment led by the private sector and community improvement initiatives.

This CIP has been prepared as a “sister” plan to the CIP currently in place for Downtown Sudbury. The purpose of this plan is to offer similar programs available in the Downtown to the other Town Centres and traditional “Main Street” areas in the City of Greater Sudbury.

### 1.2 Rationale

In 2007, City of Greater Sudbury Council adopted the report entitled “Constellation City: Building a Community of Communities in Greater Sudbury”. This report provided a total of 35 recommendations for City Council, which were grouped into the four broad categories of a city that is 1) connected, 2) caring, 3) empowered and 4) equitable.

One of the recommendations of the report dealt specifically with the issue of downtowns and parks. Through the transition team process, residents in communities across the City of Greater Sudbury expressed concern that the downtown areas and parks outside the city core receive less attention than those within the former City. The recommendation of the report respecting downtown was as follows:

“That the City of Greater Sudbury designate specific downtown areas in appropriate communities. Further that the City commit to improving the development of downtowns in outlying areas and ensure that the city programs that are established for improvement or enhancement of downtown and target areas be made available across the city.”

Similar to the issues facing downtown Sudbury, the Town Centre areas are facing new challenges, as the retail sector proceeds through restructuring. Membership warehouse clubs, home-improvement centres and big box stores that locate in the outskirts of a municipality draw upon consumers from what was the traditional retail areas located in the Town Centres of surrounding communities. These Town Centres and traditional “Main Street” areas serve an important role as they are located in established residential areas, have existing mixed use buildings, are compact and promote pedestrian activity.

The focus of this CIP is on the Town Centres and traditional “Main Street” areas in the amalgamated City of Greater Sudbury. These areas, like the downtown of the former City of

Sudbury, have traditionally served as retail and commercial centres for the areas but are now in danger of going into decline due to the shift in the retail market place over the past number of years. This shift has seen the development of New Format retail stores in the suburban areas away from the Town Centres and traditional “Main Street” areas of the City of Greater Sudbury.

During this transition the Town Centres and traditional “Main Street” areas have, in many cases, experienced higher than desired vacancy rates in all sectors, including commercial, retail and residential. These vacancies represent a challenge to the revitalization of these areas. The ability of businesses and property owners to rehabilitate their buildings to respond to tenant needs or to changes in the market place requires innovative solutions. The Planning Act allows municipalities the opportunity to use tax increment financing, grants and loans as methods to finance improvements to buildings or land which assist with revitalization initiatives.

Based on the rationale for implementing the Downtown CIP, the purpose of this CIP would be to:

- Enhance pedestrian friendly commercial areas to attract people and new business;
- Address Commercial and Residential vacancy issues by improving the building stock; and
- Rehabilitate older, mixed used (and preferably multi storey) building stock, to promote the creation of additional residential units.

## **2.0 Official Plan Conformity**

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:

- 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.

This CIP meets all of the objectives set out in the Official Plan.

## **3.0 Project Area Description**

The Community Improvement Plan Project Areas are shown on the attached Schedule ‘B’. These boundaries correspond to Town Centres identified in the City of Greater Sudbury Official Plan as well as other traditional “Main Street” areas identified in the City.

These areas have been identified as having the maximum potential to achieve the CIP goals outlined in the Official Plan and benefit from the programs outlined in this plan.

## **4.0 Community Improvement Plan Programs**

The following lists the financial programs that form the basis of this Community Improvement Plan. Detailed program guidelines and requirements are listed in Schedule A of this Plan.

Section 28 (7) of the *Planning Act* provides municipalities the following authority; *for the purpose of carrying out a community improvement plan that has come into effect, the municipality may make grants or loans to registered owners, assessed owners and tenants of lands and buildings within the community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the cost of rehabilitating such lands and buildings in conformity with the community improvement plan."*

In summary, the only tools available are either a grant or a loan. However there are many applications of this grant or loan which can be used on a case-by-case basis to encourage development or redevelopment within the project area. These include, but are not limited to:

- Tax Increment Financing (in the form of a grant)
- Planning and Building Fees Rebate (in the form of a grant)
- Project Development Study/Report Grant (business plan, soils study, etc.)
- Facade Improvement Grant (retention of facades)
- Building Improvement Loan Program (assistance with building rehabilitation and adaptive reuse, i.e., residential intensification)

### **4.1 Tax Increment Financing Program**

This program is designed to essentially provide a rebate to the land owner or designate, based on the anticipated increase in the municipal portion of property taxes that will be realized as a result of a redevelopment or improvement to a property within the improvement areas.

In order to provide Council and the community certainty regarding the Tax Increment Financing program, criteria have been developed which will guide this program. It is anticipated that each Tax grant will be commenced by an application to Council. This application will allow staff an opportunity to ensure that the proposal meets the intent of the Tax grant program.

### **4.2 Planning & Building Fees Rebate Program**

This program provides financial relief to property owners who undertake development or redevelopment projects within the Project Areas. The rebate applies to most municipal fees related to development or redevelopment.

### **4.3 Feasibility Studies**

The intent of this program is to stimulate private sector investigation of the potential adaptive re-use or redevelopment of buildings or vacant land within the project area. Financial assistance for feasibility studies, building renovation design, and business plans will be provided through this program.

#### **4.4 Facade Improvement Program**

The Facade Improvement Grant program would provide grants to property owners who rehabilitate and improve facades (including signs) of buildings within the Community Improvement Project Areas. The purpose is to achieve aesthetic improvements to the streetscapes and grant applications will be required to demonstrate how the proposed will achieve this goal.

#### **4.5 Building Improvement Loan Program**

This program seeks to stimulate private sector investment in, and revitalization and rehabilitation of the existing commercial and mixed used building stock by providing financial incentive to property owners. The program will focus on structural repairs and improvements that may be required to maintain the overall building integrity and provide for conversion or adaptive re-use of a building.

### **5.0 Urban Design Principles**

The purpose of these design principles is to help support a truly unique Town Centre by encouraging, overtime, the improvement of the built form. It is anticipated that as building owners upgrade their buildings, the application of these design principles will contribute to the overall quality of the Town Centres.

It has been acknowledged that no one direct architectural style exists within the Town Centres. This diversity is what these principles are intended to encourage. This flexibility is intended to promote unique design approaches to each building, allowing for the greatest degree of flexibility and creativity for each individual property owner. At the same time the use of these principles will ensure that overall the quality of development is assured.

#### **5.1 Design Principles**

1. In order to promote a unique sense of place, the uses of distinctive and higher quality materials reflective of Sudbury's place in Northern Ontario are encouraged;
2. Design approaches should consider the fact that the City of Greater Sudbury Town Centres are northern communities and therefore unique approaches to its four seasons should be considered in terms of the building design;
3. A high level of design quality is encouraged. Architecturally unique buildings that are complementary to the existing built form are encouraged; and
4. Programs that include the creation of new surface parking lots are discouraged and not eligible for program incentives.

## **SCHEDULE “A”**

### **CIP PROGRAM POLICIES AND REQUIREMENTS**

#### **General CIP Financial Program Application Processes**

Access to the financial programs are initiated by an application to Council, which is received by the Department of and Economic Development Planning Services. These applications are jointly reviewed by the Finance Department and their views are expressed in the report that goes to Council.

Financial program applications must be supported by plans, estimates, contracts and other details as may be required to ensure conformity with the objectives of the CIP. It should be noted that the application must be deemed to have been received prior to the commencement of the actual work.

Before any rebate is applied to the applicable property tax account of a property for which a satisfactory rebate application has been received and approved, realty taxes are required to have been paid in full each year.

A valuation of the work must accompany the submission. This valuation must also determine the impact of the redevelopment of the property so as to set the new market value of the property. This in turn will set the value of the tax increment. This opinion will be supplied by a qualified appraiser who will provide the municipality an independent assessment of value as a result of the redevelopment of the property.

#### **General Criteria Applying To All Programs**

- 1) The financial incentives described herein may be used in combination with any other program offered by the City or other level of government.
- 2) Approved grants/loans are applicable to the registered owner or assessed owner or tenants of land and buildings within the Community Improvement Plan areas identified on Schedules ‘B’ and are assignable to any third party to whom such an owner or tenant has assigned the right to receive the grant.
- 3) An application can only be received prior to the commencement, rehabilitation or development.
- 4) If the property is sold in whole or in part, the registered owner is entitled to the program benefits. In addition, any outstanding payments owed to the City will be the responsibility of the current land owner regardless of who has made the original application.
- 5) Applications for residential buildings that result in a reduction in the overall number of dwelling units are not eligible.

## **Tax Increment Financing Program Requirements**

Each Tax grant will be commenced by an application to Council. This application will allow staff an opportunity to ensure that the proposal meets the intent of the Tax rebate program. The program criteria are as follows:

- A) The maximum number of years that any individual application can benefit from is 10 years. In year one of the program, the grant to the property owner/tenant is equal to 100% of the tax increment. Thereafter, the grant decreases by 10% per year;
- B) The property owner/tenant, as applicable, is responsible for the full payment of taxes, as billed, after which the municipality will provide the grant payment;
- C) The maximum amount of the tax grant shall not exceed that anticipated increase in municipal realty taxes as a direct result of the redeveloped/development of land and or building;
- D) The annual grant is based upon changes in property taxes as a result of construction and improvement, and is not based on occupancy or changes in occupancy;
- E) Notwithstanding any other calculations relating to the grant amount, the City will not pay an annual grant which is greater than the municipal portion of the property tax collected for a property in any one year;
- F) Only the municipal portion of the property taxes are eligible for the grant;
- G) BIA levies are to be excluded from the grant calculation;
- H) This program may be used in combination with any other program. The amount of the grant or the total amount of funding, when combined with any other Community Improvement Plan program, will not exceed the value of the work done;
- I) Approved grants are applicable to the registered owner or assessed, owner or tenants of land and buildings in the Community Improvement Plan area and are assignable to any third party to whom such an owner or tenant has assigned the right to receive the grant;
- J) The total amount of the grant shall not exceed the costs of the property's rehabilitation;
- K) Taxes must not be in arrears at the time of application;
- L) An application to Council must have been received in order for a grant to be considered;
- M) An application can only be received prior to the commencement of the improvements, rehabilitation or development;
- N) If a property is under an assessment appeal the application will be held in abeyance until the appeal is resolved;

- O) The application shall include plans, estimates, contracts and other details as may be required to ensure conformity with the objectives of the CIP;
- P) For the purpose of calculating the tax increment, the pre-approved assessed value of the property will be established as the earlier of the following: (1) date of application for building permit; (2) date of application for demolition permit; (3) date of application for Rehabilitation and Redevelopment grant;
- Q) If the property is sold, in whole or in part, before the grant period lapses, the applicant and/or the subsequent landowner is not entitled to outstanding grant payments. The City may, entirely at its own discretion, enter into a new agreement with any subsequent owners of the property to receive outstanding grant payments under this program;
- R) The project must be in compliance with all applicable City policies including but not limited to; zoning, heritage matters, site plan matters and matters of urban design as identified in the City of Greater Sudbury Official Plan, and
- S) The grant shall be forfeited by the owner /tenant or third party, to whom the grant has been assigned, and repaid to the City if the property is demolished before the grant period elapses.

#### **Planning & Building Fees Rebate Program Requirements**

This program provides financial relief to property owners who undertake development or redevelopment projects within the Project Areas. The rebate applies to most municipal fees related to development or redevelopment, including:

- 1) Official Plan Amendments
- 2) Zoning Amendments
- 3) Minor Variances
- 4) Consents to Sever Land
- 5) Site Plan Control Agreements
- 6) Plans of Subdivision
- 7) Plans of Condominium
- 8) Building and Demolition Permits
- 9) Sign Applications
- 10) Other associated and miscellaneous legal agreements

Assistance will be made in the form of a refund of the fees for planning approval, demolition or building permit (building permit fee rebates would be up to a maximum of \$5,000.) as described in By-law 2005-8F, as amended, Part 3 Growth and Development Schedule G&D A, B and C, subject to the following:

- 1. It should be noted that although these fees are waived within the project area, this does not mean that they are not required. Applicants are expected to adhere to the requirement of the respective application processes and will receive a grant where applicable. Fees are to be paid in advance and are to be reimbursed upon successful completion and approval of an application;

2. Fees associated with any outside agencies will be required to be paid, including, but not limited to the Sudbury and District Health Unit, Greater Sudbury Hydro, etc.;
3. An application to the Director of Planning and Development must be received and deemed to be eligible prior to the waiving of any fees;
4. The subject property must not be in a position of tax arrears at the time of the application to the Director of Planning or Chief Building Official;
5. This fees rebate program does not apply to any required performance securities (i.e., letters of Credit) posted by the proponent, required professional studies, to expenses incurred by the applicant as a result of an Ontario Municipal Board Hearing, or to any required newspaper notices;
6. The project must be in conformity with all applicable City policies, including but not limited to zoning, heritage matters, site plan matters and matters of urban design as identified by the City of Greater Sudbury Official Plan;
7. An application can only be received prior to the commencement of the improvements, rehabilitation or development, and
8. Council has delegated its authority to a Committee of staff to approve these applications. A refusal by staff may be appealed directly to Council.

#### **Feasibility Study Program Requirements**

1. Applications for program shall be approved by (Council, staff, GSDC Board) on a first come first serve basis;
2. A grant up to a maximum of \$5,000 can be applied for;
3. Fifty (50%) of the grant approved under this program will be provided to property owners following submission of the final completed study with the original invoice indicating that the study consultant's have been paid in full. The remaining 50% will be paid to the property owner upon the building being available for occupancy;
4. One copy of the study will be provided to the City for its retention. The applicants agree to provide the City with permission to share the findings with any other subsequent project proponents and/or related government agencies;
5. Feasibility studies shall be for the purpose of a business plan for matters such as but not limited to, structural analysis, soil studies, evaluation of mechanical systems, concept or design plans and market analysis;
6. The subject property shall not be in a position of property tax arrears;



7. Assistance will be provided at the sole discretion of the City of Greater Sudbury and the City reserves the right to refuse any application at any time, and
8. Council has delegated its authority to a Committee of staff to approve these applications. A refusal by staff may be appealed directly to Council.

#### **Façade Improvement Program Requirements**

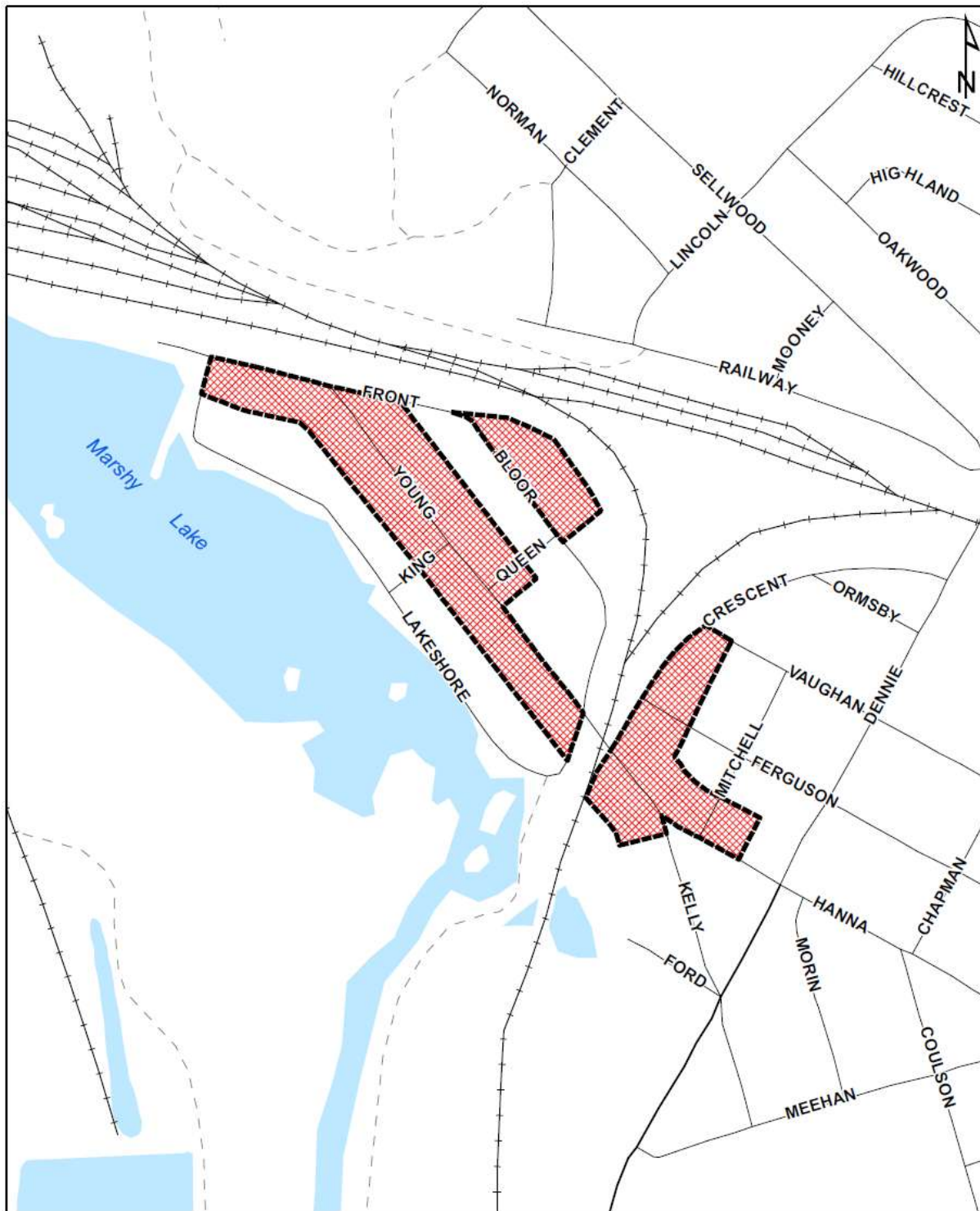
1. A grant of 50% of the cost to improve a building's facade, to a maximum of \$15,000 is available. Payment will be made only upon the completion of the work;
2. Signage projects will be eligible for a maximum of \$2,500;
3. Applications for the program shall be approved by (Council, staff, GSDC Board) on a first come first serve basis;
4. All applications will be considered subject to the availability of funding;
5. Property owners must apply in writing to the Council for the City of greater Sudbury and must receive written approval prior to the commencing of any work related to the requested grant/loan;
6. The subject property shall not be in a position of tax arrears at the time of the application;
7. The project must be deemed to be in conformity with all applicable City policies, including but not limited to matters of zoning, heritage matters, site plan matters and matters of urban design. Applications that are not deemed to be in conformity shall not be approved;
8. Any outstanding Work Order from the City Building Services Department must be complied with prior to the consideration of any application;
9. Grants will be approved at the sole discretion of the City of Greater Sudbury; and
10. Proposals must be consistent with the Design Principles expressed in the following pages.

#### **Building Improvement Loan Program Requirements**

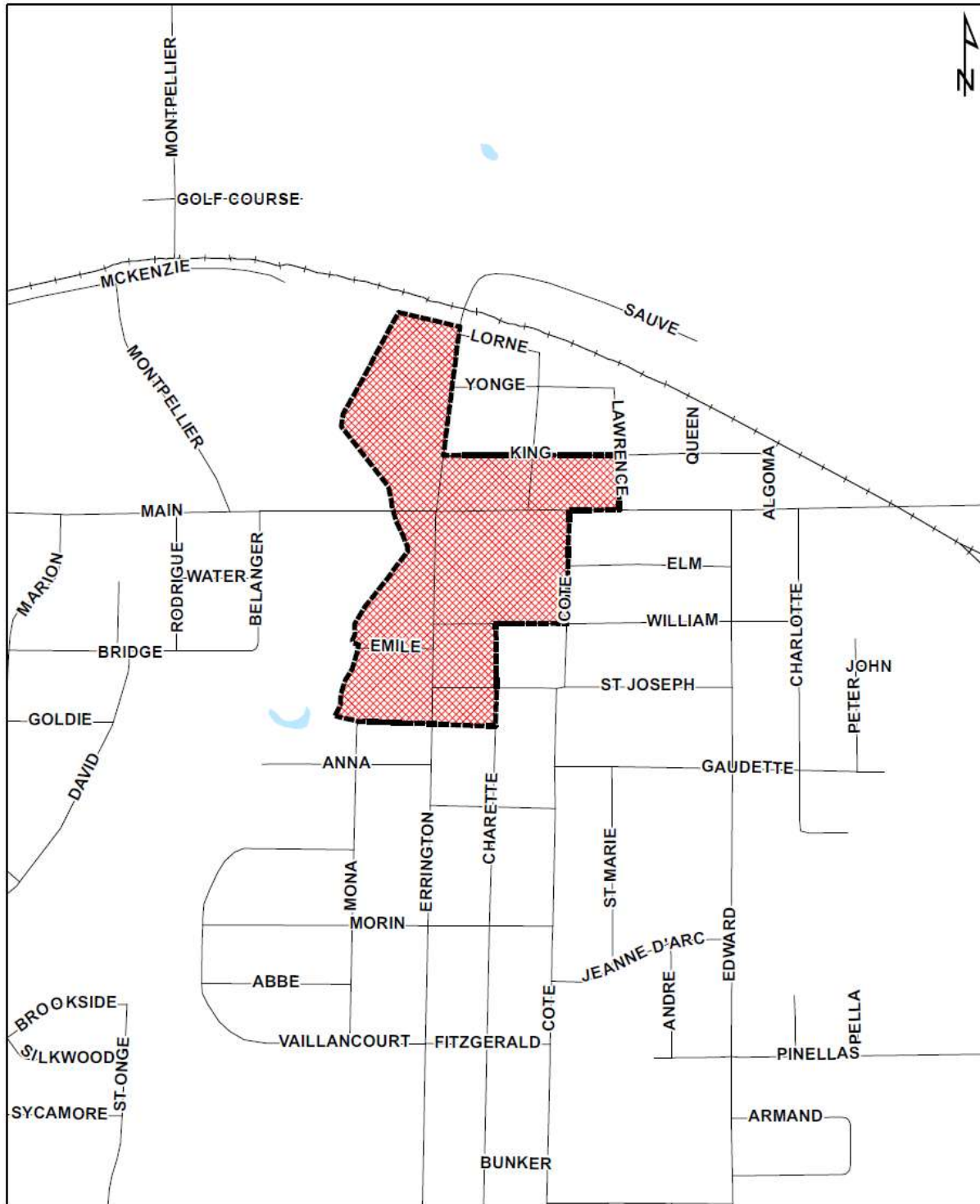
1. This program will provide loans of 50% of the project costs, to a maximum of \$50,000 to property owners who undertake the revitalization and rehabilitation of their properties that would result in the increased use, adaptive re-use or conversion of vacant space. The amount of the loan would not exceed the value of the work to be done;
2. Loan payments will commence six months after the advancement of funds. Repayment of loans will be on a monthly basis, with the monthly amount to be calculated based on five-year amortization period. Full repayment may be made at any time;

3. All applications for assistance under this program will be considered, subject to the available funding;
4. Property owners must apply in writing to the Council for the City of Greater Sudbury and must receive written approval prior to the commencing of any work related to the requested loan;
5. If, during the course of the work, the scope of the work changes or actual costs are greater or lesser than the estimated costs, the City of Greater Sudbury reserves the right to increase or decrease the total amount of the loan associated with the Building Improvement Loan Program;
6. Program commitments will expire if work does not commence within six weeks of the City of Greater Sudbury's approval. In the event of such an occurrence, a new application may be submitted and will be processed accordingly;
7. Assistance granted under this program to a particular property is not transferable to any other property;
8. Applicants must submit at least two quotations from professional contractors who are capable of completing the work;
9. The subject property shall not be in a position of tax arrears at the time of the application;
10. The project must be deemed to be in conformity with all applicable City policies, including but not limited to matters of zoning, heritage matters, site plan matters and matters of urban design. Applications that are not deemed to be in conformity shall not be approved;
11. Any outstanding Work Order from the City Building Services Department must be complied with prior to the consideration of any application; and
12. Grants will be approved at the sole discretion of the City of Greater Sudbury.

# Capreol Schedule B-1



# Chelmsford Schedule B-2

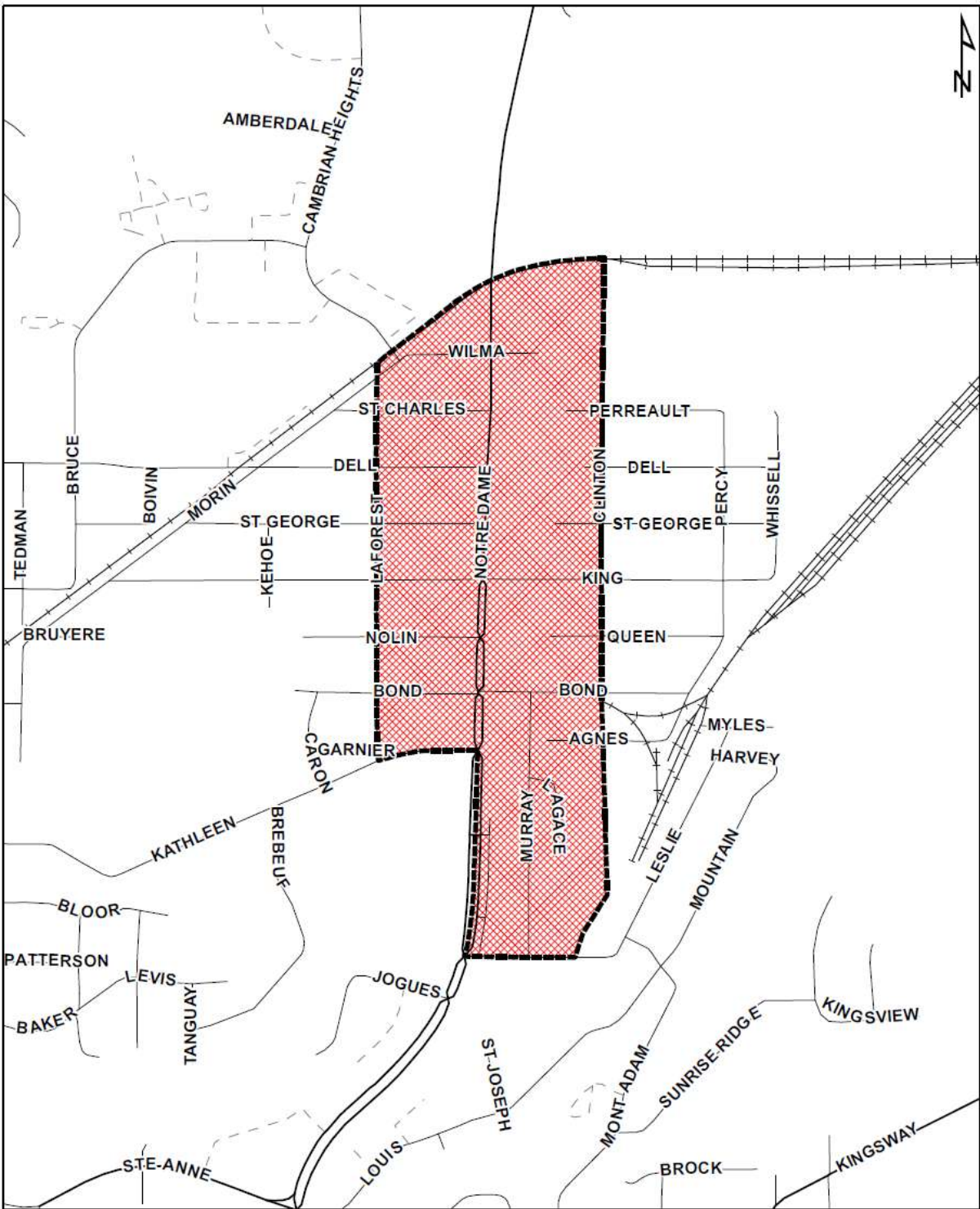


# Levack Schedule B-3





# Flour Mill BIA Schedule B-4



# Lively Schedule B-5



# Copper Cliff Schedule B-6

