

## Request for Decision

### Town Centre Community Improvement Plan

Presented To:	Policy Committee
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Type:	Presentations

### Recommendation

That Council direct staff to prepare a Community Improvement Plan for the purposes of extending the programs currently available in the Downtown CIP or applying similar programs to the Town Centres identified on Schedule 1c of the City of Greater Sudbury Official Plan, Schedules “E5 and E6” of the City of Greater Sudbury Development Charges By-law 2009-200F and to the Flour Mill Business Improvement Area (BIA).

### Finance Implications

Approximately, \$80,000 of the one-time funding approved for the Downtown Sudbury Financial Incentives program is still uncommitted. Further funding requests to continue the Sudbury downtown program and/or the expanded Town Centre initiatives would require further approvals by Council during 2011 budget deliberations.

### Background

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

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downtown and target areas be made available across the city.”

There is currently a Community Improvement Plan (CIP) in place in downtown Sudbury, the development of which was supported by the Downtown BIA and the purpose of which is to stimulate redevelopment. The components of this CIP include financial incentives in the form of Tax Increment Financing (TIF), Planning Fee Rebates, Feasibility Study grants, Façade Improvement Grants and Building Improvement Loans.

The option exists to make these programs available to the Town Centre areas of the former municipalities that are now part of the City of Greater Sudbury, as identified in the City’s Official Plan and in the Development Charges By-law 2009-200F. While considering the option of extending the Financial Incentives Program, it is also recognized that there is one other commercial area in the City, apart from Downtown Sudbury, that has a BIA. This is the Flour Mill BIA which has for many years had both a Community Improvement Plan and BIA. The option exists to add these programs to this CIP in conjunction with this project.

The purpose of this report is to outline a work plan and timeline, including Planning Act and Official Plan requirements, should Council choose to expand the programs to these areas.

## **Downtown CIP**

A CIP has existed in the downtown in some form since 1987, when the Street and Streetscaping Improvement Component was introduced. This original plan was followed up by a Tax Increment Financing Component in 2003 and additional financial incentives in 2007. The existing financial incentive portions of the current Downtown CIP include:

### **a) Tax Increment Financing Program**

Under this existing program, owners who undertake improvements or redevelop their properties are eligible to receive a grant in the amount of the increase in taxes that occurs as a result of a reassessment due to the improvements made. This grant is equal to 100% of the increase in the first year and is decreased by 10% every year for ten years. In no case, however, can the amount of the grant exceed the cost of the improvements.

### **b) Planning Fees Rebate Program**

Under this program assistance is made in the form of a refund of the fees for planning approval, demolition or building permit. Building permit fee rebates are up to a maximum of \$5,000.

### **c) 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. Financial assistance for feasibility studies, building renovation design, and business plans will be provided through this program up to a maximum of \$5,000.

### **d) Façade Improvement Program**

The Façade Improvement Grant program provides grants to property owners who rehabilitate and improve facades (including signs) of buildings within the Community Improvement Project Area. The purpose of the program is to achieve aesthetic improvements to the downtown streetscape and grant applications are required to demonstrate how the proposal will achieve this goal. A grant of 50% of the cost to improve a building’s façade, to a maximum of \$15,000 is available. Payments are made only upon the completion of the work.

e) *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 in the downtown by providing financial incentives 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. This program provides 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 does not exceed the value of the work to be done.

### **Expansion of Downtown CIP to other areas within the City**

There is an opportunity to extend the programs in the downtown CIP to the Town Centres in the former municipalities. This can be accomplished by developing and implementing a new CIP to cover the Town Centres identified on Schedule 1c of the City of Greater Sudbury Official Plan and in Schedules “E5 and E6” of the City of Greater Sudbury Development Charges By-law 2009-200F, namely: Chelmsford, Dowling, Capreol, Azilda, Levack, Onaping, Garson, Lively/Mikkola, Val Caron, Wahnapiatae, Hanmer.

The rationale for using the both the Official Plan and the Development Charges by-law is that with respect to the Town Centres of Val Caron and Hanmer, the Development Charges by-law clarifies these areas that would benefit the most from the CIP programs.

In the case of the Flour Mill BIA, as noted above, an amendment to the existing CIP could be prepared to include the financial incentives in conjunction with this project.

### **Planning Act Requirements & Official Plan**

Under Section 20.11.1 of the City of Greater Sudbury Official Plan, when Council proposes to adopt a Community Improvement Plan, staff will conduct a minimum of two open houses, and a public meeting will be held no sooner than 30 days after the requirements for the giving of notice have been complied with. The Official Plan requirements for amendments to an existing CIP involve one public meeting. Public meetings are to be held no sooner than 10 days after the requirements for the giving of notice have been complied with. Once a Community Improvement Plan has been adopted by Council, the Clerk must give notice of the passing within 15 days. After notice has been given there is a 20 day appeal period.

Based on the above, once a CIP and CIP Amendment have been prepared, there is approximately 3 to 4 months of public consultation that must take place before they could be adopted by Council. This would be followed by an appeal period.

### **Approximate Timeline**

In terms of a timeline for this project, there would be three main components.

1) *Drafting the CIP and CIP Amendment*

The actual text of the Town Centres CIP would have to be prepared. Much of the background and rationale for downtown CIPs is already laid out in the City of Greater Sudbury Official Plan. Additionally, the programs, their components and regulations have already been completed in the Downtown Sudbury CIP. Drafting the CIP would therefore require this existing information to be consolidated in a new document for the Town Centres. It is anticipated that drafting the new CIP would take approximately 1 month. An amendment to the Flour Mill CIP would involve incorporating

this same information into the existing document and could be done concurrently.

2) *Public Process and Council Approval*

Once the draft CIP and CIP amendment is completed they would have to be reviewed and approved by Council followed by the prescribed public process outlined in the Official Plan and the Planning Act.

One of the considerations that Council will have to determine with respect to the draft CIP documents would be the amount of funding to dedicate to the program, as expanding to include these areas will also increase the number of properties eligible for grants and loans.

As outlined above it would take approximately 4 months to bring a draft CIP and CIP amendment through the public consultation process before Council adoption of the document could be finalized.

3) *Budgeting and Implementation*

Once Council approves an expanded area for Financial Incentives, the issue of funding the programs will have to be addressed. The Downtown Sudbury Financial Incentives program was funded with a \$250,000 one time allotment in 2005. Approximately \$80,000 of this original amount remains uncommitted following two rounds of applications. It is the intent of staff to evaluate this pilot project at the end of this year with a view to making recommendations for its future use.

Upon the completion of the CIP project proposed in this report, and subject to Council's direction, it is anticipated that a budget option would be prepared to address funding in the 2011 budget. It should be noted that one of the incentives, Tax Increment Financing, does not require a budget allocation. This program involves temporarily foregoing tax revenue which would result from new development and increased assessment which may not have occurred without the incentive program.