

Report to Planning and Environment Committee

To: Chair and Members
Planning and Environment Committee
From: Gregg Barrett, Director, Planning and City Planner
Subject: Downtown Community Improvement Plan – Performance Measures and Indicators of Success (O-9286)
Public Participation Meeting on: March 29, 2021

Recommendation

That, on the recommendation of the Director, Planning and City Planner, the proposed attached By-law (Appendix “A”) being “A by-law to amend the Downtown Community Improvement Plan (CIP) to add an Appendix that sets out performance measures and indicators of success for the CIP” **BE INTRODUCED** at the Municipal Council meeting to be held on April 13, 2021.

Executive Summary

Summary of Request

The recommended amendment will add an appendix to the Downtown Community Improvement Plan that contains performance measures, indicators of success, and targets for the loan and grant programs.

Purpose and Effect of Recommended Action

The purpose and effect of the recommended action is to establish a formal framework for reviewing the loan and grant programs available through the Downtown Community Improvement Plan. The measures, indicators, and targets will help inform Civic Administration when making recommendations to Municipal Council on future changes to the loan and grant programs, including when to reduce or discontinue programs.

Rationale of Recommended Action

The recommended amendment is consistent with the Provincial Policy Statement, 2020 (PPS). The PPS encourages the vitality and regeneration of settlement areas as critical to the long-term economic prosperity of communities, and, where possible, enhancing the vitality and viability of downtowns and mainstreets.

The recommended amendment conforms with the *Planning Act*, as the loan and grant programs meet the requirements set out in Section 28 related to community improvement.

The recommended amendment conforms to the in-force policies of *The London Plan*, including the Key Directions, Urban Regeneration, and Community Improvement.

The recommended amendment conforms to the policies of Our Move Forward: London’s Downtown Plan and the Downtown Community Improvement Plan.

Linkage to the Corporate Strategic Plan

The City of London Strategic Plan 2019-2023 contains five strategic areas of focus. Revitalizing London’s downtown and urban areas is a strategy within both the “Building a Sustainable City” and “Growing our Economy” strategic areas of focus.

The Downtown Community Improvement Plan grant programs help to revitalize the area through incentivizing and encouraging the development of new residential units and as a result, increasing the population of the neighbourhood. Further, the loan programs

encourage and assist property owners in maintaining and improving the older building stock found in the area.

Linkage to Climate Emergency Declaration

On April 23, 2019, Municipal Council declared a Climate Emergency. The loan and grant programs support the City's commitment to reducing and mitigating climate change by encouraging and incentivizing residential intensification in the Downtown. These grants and loans help support more intense and efficient use of existing urban lands and infrastructure, and the regeneration of the existing neighbourhood. The loans also help ensure older buildings are more energy efficient and sustainable through renovations and upgrades to the structure and mechanical systems.

Analysis

1.0 Background Information

1.1 Community Improvement Plans

A Community Improvement Plan (CIP) is a tool prescribed by Section 28 of the *Planning Act* intended to re-plan, redesign, redevelop, and rehabilitate a designated area because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social, or community economic development reasons.

A CIP can help:

- 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
- Stimulate private sector investment through municipal incentive-based programs

It is because of the City's ability to provide incentive-based programs (loans and grants) that community improvement is often used as a tool to encourage and support community and economic redevelopment. In other words, the City may provide financial incentives to encourage the private sector to invest in a way that supports the City's policy goals and objectives – such as, improving buildings, building residential dwelling units to increase housing supply and population, investing in an area in need of improvement, or contributing to the economic development of an area.

1.2 Community Improvement Plan Service Review (2017)

Civic Administration undertook a comprehensive CIP service review in 2016-2017 and from that review recommended:

- Changes to existing financial incentive programs
- Introducing financial incentive programs to new or expanded areas
- Amending the CIPs to include performance measures and indicators of success

The Municipal Council resolution from May 2, 2017 relating to the CIP service review directed that these recommended changes come into effect on January 1, 2018. The amended programs, as identified in the resolution, will expire no later than December 31, 2023 pending a review of the program results by the Municipal Council prior to the adoption of the 2024-2027 Multi-Year Budget, with the review identifying interim funding for any programs recommended to be carried forward to ensure that there is not a gap in program delivery. The complete May 2, 2017 Municipal Council resolution is provided in Appendix "B".

The addition of the measures, indicators, and targets identified in this report will assist Civic Administration in undertaking the future CIP service review in support of the 2024-2027 Multi-Year Budget.

1.3 Draft Performance Measures, Indicators of Success, and Targets

On November 16, 2020, an [information report](#) with draft performance measures, indicators of success, and the related targets was presented to the Planning and Environment Committee which recommended the draft measures, indicators, and targets be circulated for public review. Municipal Council adopted the recommendations at its November 24, 2020 meeting.

The two grant programs being measured are the:

- Rehabilitation and Redevelopment Tax Grant
- Residential Development Charges Grant

The draft indicators for the two grant programs are:

- Residential population
- The assessment value of the properties

The two loan programs being measured are the:

- Façade Improvement Loan
- Upgrade to Building Code Loan

The draft indicators for the two loan programs are:

- Building façade condition
- The percentage of targeted uses
- A healthy ground floor vacancy rate
- The private sector investment generated by offering public sector loans
- The number of loans issued per year

Additional details on the loan and grant programs, and the draft measures, indicators, and targets are available in the November 16, 2020 report.

The November 16, 2020 report was also posted on a Get Involved webpage for public review and comment. Further details on the consultation can be found in that report and in Section 4.0 of this report.

2.0 Purpose for the Amendment

The Downtown CIP was approved and adopted by Municipal Council in 1995. Since that time, Civic Administration has reviewed and monitored the loans and grants, but performance measures, indicators of success, and targets for the incentive programs have never been formalized in the CIP.

Through amending the CIP by adding an appendix that contains measures, indicators, and targets, Civic Administration will be better able to:

- Manage the loan and grant programs
- Better determine if the loan and grant programs are being successful in achieving the objectives of the Downtown Community Improvement Plan and *The London Plan*
- Provide recommendations to Municipal Council on when to reduce funding and/or discontinue or amend the loan and grant programs

3.0 Policy Context

3.1 Provincial Policy Statement

The Provincial Policy Statement (PPS), 2020 provides policy direction on matters of Provincial interest related to land use planning and development. The PPS sets the policy foundation for regulating the development and use of land. Decisions affecting planning matters “shall be consistent” with the PPS.

Though the term “community improvement” is not found in the PPS, numerous PPS policies still apply to the implementation of community improvement plans and the ability for the City of London to issue loans and grants.

The PPS identifies that healthy, livable, and safe communities are sustained by accommodating an appropriate range and mix of affordable and market-based residential dwelling units and employment uses (1.1.1 b).

The PPS emphasises that the vitality and regeneration of settlement areas is critical to the long-term economic prosperity of communities (1.1.3). Settlement areas shall be the focus of growth and development (1.1.3.1). The PPS requires planning authorities to identify appropriate locations and promote opportunities to accommodate a significant supply and range of housing options through intensification and redevelopment (1.1.3.3).

The PPS further requires planning authorities to promote economic development and competitiveness by providing for an appropriate mix and range of employment and broader mixed uses to meet long-term needs (1.3.1 a).

The PPS also requires planning authorities to provide for an appropriate range and mix of housing options and densities by permitting and facilitating all types of residential intensification, including additional residential units and redevelopment (1.4.3 b 2), as well as directing the development of new housing towards locations where appropriate levels of infrastructure are available (1.4.3 c).

Long-term economic prosperity should be supported by promoting opportunities for economic development and community investment-readiness (1.7.1 a) and maintaining and, where possible, enhancing the vitality and viability of downtowns and mainstreets (1.7.1 d).

Lastly, the PPS identifies that significant built heritage resources shall be conserved (2.6.1).

The loan and grant programs available through the Downtown CIP encourage the regeneration of the Downtown, which is within the City of London settlement area. Further, the programs help enhance the vitality and viability of the downtown by supporting the maintenance of the existing building stock including numerous built heritage resources. The programs encourage reinvestment by the private sector in the downtown by incentivizing appropriate intensification and redevelopment of under-utilized sites with available infrastructure.

The loan and grant programs are consistent with the PPS and support the implementation of these policies.

Further, the recommended amendment is consistent with the PPS. The amendment does not change how the loan and grant programs operate or the intended community improvement objectives. The amendment provides clarity on how the success of the programs will be measured. No changes to the programs are being considered that will result in an inconsistency with the PPS.

3.2 The Planning Act

Section 28 (1) of the *Planning Act* defines community improvement, community improvement plan, and community improvement project area.

In 1995, Municipal Council designated the Downtown community improvement project area and adopted the Downtown Community Improvement Plan that outlines the community improvement goals for that area. The community improvement project area was amended in 2017 to allow additional lands to be eligible for community improvement.

Section 28 (7) permits a municipality to make grants or loans, in conformity with the CIP, to registered owners, assessed owners, and tenants of lands and buildings within the community improvement project area. Section 28 (7.1) identifies that the eligible

costs of a community improvement plan may include costs related to development, redevelopment, construction, and reconstruction of lands and buildings for rehabilitation purposes.

The loan and grant programs available through the Downtown CIP include loans to incentivize rehabilitation of the existing buildings and grants to incentivize residential and mixed-use development. These programs are consistent with the community improvement goals in the Downtown CIP and the policies *The London Plan*.

As a result, the loan and grant programs available through the Downtown CIP are in conformity with Section 28 of the *Planning Act*.

Further, the recommended amendment is in conformity with Section 28 of the *Planning Act*. The amendment does not change how the loan and grant programs operate or the intended community improvement objectives. The amendment provides clarity on how the success of the programs will be measured. No changes to the programs are being considered that will result in nonconformity with Section 28 of the *Planning Act*.

3.3 The London Plan

The London Plan constitutes the Official Plan for the City of London. It contains goals, objectives, and policies established primarily to manage and direct physical change and the effects on the social, economic, and natural environment of the city.

The London Plan was adopted by Municipal Council on June 23, 2016 and approved by the Province on December 28, 2016. Numerous policies remain under appeal; however, all of the policies related to community improvement discussed in this report and Map 8 – Community Improvement Project Areas are in force.

Eight key directions serve as the foundation for *The London Plan*. Key Direction #1 Plan strategically for a prosperous city identifies the importance of revitalizing the city's urban neighbourhoods and business areas (55_4). Key Direction #3 Celebrate and support London as a culturally rich, creative, and diverse city identifies protecting our built and cultural heritage to promote our unique identity (57_9). Key Direction #5 Build a mixed-use compact city outlines the importance of sustaining, enhancing, and revitalizing our downtown, main streets, and urban neighbourhoods (59_3) and to plan for infill and intensification of various types and forms (59_4).

The Urban Regeneration policies of the Our City part of *The London Plan* support the sensitive growth and change within London's urban areas so that they are sustainable and prosperous over the long term (153_) including encouraging the economic revitalization and enhancing the business attraction of urban main streets (153_4) and strengthening the city core by nurturing the development of downtown and the urban neighbourhoods that surround it (153_5).

The Urban Regeneration policies also permit Municipal Council to designate, by by-law community improvement project areas and adopt Community Improvement Plans (164_), subject to the Community Improvement Plan policies in the Our Tools part of *The London Plan*.

The Downtown Place Type policies identify preparing a community improvement plan for the Downtown to provide financial incentives for private property owners to improve their properties (799_2). Further, projects associated with financial incentives offered through community improvement plans shall conform with all City Design and Downtown Form policies of *The London Plan* and relevant guideline documents (803_11).

The Community Improvement Policies (1723_ to 1728_) of *The London Plan* provide the bulk of the detail and direction for implementing such plans. Stimulating private sector property maintenance, repair, rehabilitation, redevelopment and other forms of private sector investment and reinvestment activity (1727_4) is just one of the 15 objectives of community improvement in *The London Plan*.

Map 8 – Community Improvement Project Areas show the designated community improvement project areas within London (1786_).

The loan and grants programs and the proposed amendment conform with the in-force policies of *The London Plan*.

3.4 Our Move Forward: London's Downtown Plan

Our Move Forward, places an emphasis on public and private partnership initiatives that will create interest for private sector investment. It recognizes that downtown London is London's face to the world. A successful downtown is key for retaining and attracting business investment in London.

Our Move Forward is adopted as an Urban Regeneration guideline document under the Our Tools part of *The London Plan*.

Our Move Forward is organized into five sections including Strategic Directions, Transformational Projects, and policy tools related to financial investment and revenue generation.

Strategic Direction #5 – Build a Great Neighbourhood emphasises continuing to support the development of a larger residential community in the downtown to foster a local trade market to offer a diverse array of neighbourhood daily needs commercial enterprises (5.1)

The loan and grant programs available to property owners in the downtown can help contribute to achieving the Values, Projects, and Strategic Directions of Our Move Forward. The proposed amendment will not alter the loan and grant programs ability to help achieve Our Move Forward's vision for the downtown.

3.5 Downtown Community Improvement Plan

In 1995, Municipal Council designated the Downtown community improvement project area and adopted the Downtown CIP.

The community improvement project area was expanded in 2017 to include Richmond Row.

The purpose of the Downtown CIP is to provide the context for a coordinated municipal effort to improve the physical, economic, and social climate of the Downtown. The initiatives identified in the CIP are intended to stimulate private investment, property maintenance, and renewal in the downtown. The focus of these initiatives and the Downtown CIP is to foster an environment that will increase the supply of residential units within the downtown to ensure a viable downtown population.

The CIP sets the framework for how the loan and grant programs available in the Downtown community improvement project area operate, but not how the success of the programs is measured. The details on how the programs operate are outlined in the by-law establishing the financial incentive program guidelines.

The proposed amendment of adding an appendix to the CIP relating to measures, indicators, and targets meets the purpose and priorities of the CIP. The appendix provides Civic Administration with an additional tool to evaluate the success of the loan and grant programs in regenerating the Downtown community improvement project area.

4.0 Public and Stakeholder Consultations

A Get Involved London webpage was set up concurrently with the report to the Planning and Environment Committee on November 16, 2020. The webpage provides a summary of the project to amend the Downtown Community Improvement Plan and access to supporting documents, including the information report, which outlines consultation undertaken earlier in 2020.

On December 17, 2020, a Notice of Application to amend the Downtown Community Improvement Plan was circulated to 2,703 property owners located in or within 120 metres of the Downtown community improvement project area. As per the Municipal Council direction, the Notice and report were also circulated through the circulation list to the following organizations:

- Downtown BIA
- London Development Institute
- London Home Builders' Association
- London Economic Development Corporation
- Developers and builders who construct apartment buildings in the city

Five responses were received by the time this report was written.

Two respondents had general questions about the proposed amendment and the financial incentive programs offered by the City. One respondent had concerns about street involved individuals in the downtown. One respondent had questions about how the grant programs will work with their proposed downtown project.

Another respondent asked that any loan and grant reduction strategies be designed with careful consideration and with conservative performance measures. Civic Administration is of the opinion that the proposed measures, indicators, and targets have been carefully developed over the past three years of data collection and are conservative in nature as to prevent any unexpected reductions in grants and loans that will hinder the City's regeneration efforts in the Downtown.

The responses and additional consultation details are summarized in Appendix "C".

The feedback received was considered and reviewed prior to the recommended measures, indicators, and targets being brought forward for Municipal Council's consideration.

5.0 Recommended Performance Measures, Indicators of Success, and Targets

The recommended performance measures, indicators of success, and targets remain the same as the draft measures, indicators, and targets presented at the November 16, 2020 Planning and Environment Committee meeting. No changes were made in response to feedback received through the consultation process.

The proposed new appendix for the Downtown CIP containing the recommended measures, indicators, and targets is attached as Schedule "1" to Appendix "A" of this report.

Conclusion

The recommended amendment to the Downtown Community Improvement Plan will add an appendix to the CIP that introduces performance measures, indicators of success, and targets for the two loan programs and two grant programs available to property owners and tenants within the Downtown community improvement project area. The measures, indicators, and targets will assist Civic Administration with better measuring the success of the loan and grant programs and put a better mechanism in place to help recommend future changes to the programs including scaling back or shifting priorities as targets are met.

The amendment is consistent with the Provincial Policy Statement, 2020 and conforms with the *Planning Act*. The amendment conforms to the in-force policies of *The London Plan*, including the Key Directions, Urban Regeneration, and Community Improvement.

Prepared by: **Graham Bailey, MCIP RPP**
Senior Planner, Urban Regeneration

Submitted by: **Britt O'Hagan, MCIP RPP**
Manager, City Building and Design

Recommended by: **Gregg Barrett, AICP**
Director, Planning and City Planner

GB/gb

\\FILE2\users-z\pdp\Shared\policy\URBAN REGENERATION\Projects\CIP Program Measures
Amendments\Reports\PEC - 2021\2021-03-29 - SR - O-9286 - Amendment to the Downtown CIP.docx

Appendix “A”

Bill No. (number to be inserted by Clerk's Office)
2021

By-Law No. C.P.-1357-

A by-law to amend the Downtown Community Improvement Plan (CIP) to add an Appendix that sets out performance measures and indicators of success for the CIP

WHEREAS subsection 28(4) of the *Planning Act*, R.S.O. 1990, c. P. 13, as amended, enables the Council of a municipal corporation to adopt a community improvement plan for a community improvement project area;

AND WHEREAS the Council of The Corporation of the City of London has, by by-law, designated a community improvement project area identified as the Downtown community improvement project areas;

AND WHEREAS the Downtown community improvement project area is in conformity with *The London Plan*, 2016, the Official Plan for the City of London;

AND WHEREAS the Municipal Council of The Corporation of the City of London has, by by-law, adopted the Downtown Community Improvement Plan;

AND WHEREAS the Municipal Council of The Corporation of the City of London deems it appropriate to amend the Downtown Community Improvement Plan to add an Appendix that sets out performance measures and indicators of success for the CIP;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. Amendment No. (to be inserted by the Clerk's Office) to the Downtown Community Improvement Plan, as contained in the text attached hereto as Schedule “1” to this By-law being “Appendix to the Downtown Community Improvement Plan”, is hereby adopted.
2. This by-law shall come into effect in accordance with subsection 17(27) of the *Planning Act*, R.S.O. 1990, c. P. 13, as amended.

PASSED in Open Council on April 13, 2021.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – April 13, 2021
Second Reading – April 13, 2021
Third Reading – April 13, 2021

AMENDMENT NO.
to
THE DOWNTOWN COMMUNITY IMPROVEMENT PLAN

A. PURPOSE OF THIS AMENDMENT

The purpose of this Amendment is to add an appendix to the Downtown Community Improvement Plan relating to performance measures, indicators of success, and targets for the financial incentive programs (Rehabilitation and Redevelopment Tax Grant, Residential Development Charges Grant, Façade Improvement Loan, and the Upgrade to Building Code Loan).

B. LOCATION OF THIS AMENDMENT

This Amendment applies to all lands within the Downtown community improvement project areas.

C. BASIS OF THE AMENDMENT

The addition of an appendix to the Downtown Community Improvement Plan relating to performance measures, indicators of success, and targets for the financial incentive programs maintains the intent of the London Plan regarding the application of community improvement policies. The performance measures, indicators of success, and targets will allow Civic Administration to better measure the success of the loan and grant programs and put a better mechanism in place to help recommend future changes to the programs including scaling back or shifting priorities as targets are met.

D. THE AMENDMENT

The Downtown Community Improvement Plan is hereby amended as follows:

1. Schedule "1" – Appendix to the Downtown Community Improvement Plan is added as Appendix B to the Downtown Community Improvement Plan.

Appendix B: Performance Measures, Indicators of Success, and Targets

Appendix B outlines performance measures, indicators of success, and the related targets for the loan and grant programs available through the Downtown Community Improvement Plan.

These measures and indicators will:

- Assist Civic Administration with the management of the loan and grant programs
- Help determine if the loan and grant programs are being successful in achieving the objectives of the Downtown Community Improvement Plan and *The London Plan*
- Assist Civic Administration with providing recommendations to Municipal Council on when to reduce funding and/or amend or discontinue the loan and grant programs

Civic Administration may also recommend changes to the loan and grant programs through other mechanisms such as a Community Improvement Plan service review; however, these changes should only be recommended after consulting this Appendix and taking into consideration its contents.

The loan and grant programs mentioned in Appendix B may be reduced, amended, or discontinued at the direction of Municipal Council without amendment to the Downtown Community Improvement Plan.

The performance measures and indicators of success are:

- Residential population
- The assessment value of the properties in the community improvement project area
- Building façade condition
- The percentage of targeted uses in the community improvement project area
- A healthy ground floor vacancy rate
- The private sector investment generated by offering public sector loans for building improvements
- Number of loans issued per year

Population

Indicator

Residential population in the downtown.

Question

Has the downtown residential population grown enough to support the needs — both daily and long-term — of the residential and commercial community?

Why it Matters

The downtown in *The London Plan* is identified as becoming a neighbourhood rich with housing, services, and amenities targeted to serve a wide spectrum of lifestyles such as families, seniors, and young adults. The revitalization and regeneration of downtown and other urban neighbourhoods and inward and upward growth are key themes throughout *The London Plan*.

Strategic Direction 5 ‘Build a great neighbourhood’ of Our Move Forward: London’s Downtown Plan is to support the development of a larger residential community in the downtown to foster a local trade market to offer a diverse array of neighbourhood “daily needs” commercial enterprises.

Baseline (excluding Richmond Row)

- The 2016 Census of Canada indicated the population at 4,415 people
- The 2016 residential population density is 43.5 people / hectare
- The five-year residential population growth rate (2011 to 2016) is 10%

Targets

- A population of 12,000 people in the Downtown community improvement project area has been identified as the target needed to achieve a substantial residential population better able to support the area
- A population of 12,000 people is 118 people / hectare
- Five-year residential population growth:
 - 2016 to 2021: 25%
 - 2021 to 2026: 25%
 - 2026 to 2031: 15%

Considerations

The Protected Major Transit Station Areas reports presented in August 2020 and November 2020 at the Planning and Environment Committee contained forecasted density (residents and jobs combined per hectare) for the downtown up to 2034.

Based on that report and the City of London Population and Employment Growth Forecast by Traffic Zone data it uses, by 2034, the downtown is projected to have a population of 9,701 or a residential density of 79 people / hectare. Noting that the size of the downtown in the Protected Major Transit Station report is calculated by summing the area in hectares of the Traffic Zones that comprise the Downtown Place Type in *The London Plan* (122.6 hectares). Whereas the Downtown community improvement project area equals 101.4 hectares and a similar population of 9,700 would have a density of 96 people / hectare.

Changes to Grant Programs

The **Downtown Residential Development Charges Grant** program will reduce as follows as population targets are met, except that affordable housing units with an appropriate contribution agreement and/or Affordable Housing Community Improvement Plan loan agreement will remain eligible for a 100% Residential Development Charges Grant.

Table 1: Changes to Grant Level as Population Increases

Downtown Population	Residential DC Grant (%)
7,500	75%
9,000	50%

Downtown Population	Residential DC Grant (%)
10,500	25%
12,000	0%

As each population target is met as confirmed by Census of Canada data, a two-year grace period will be set before the grant percentage is reduced.

The trigger for a development project to be included in the program is the submission of a building permit application and the payment of the required development charges prior to the end of the grace period.

Upon reaching the final target population of 12,000, the Residential Development Charges Grant program will conclude. At that time, Civic Administration will make a recommendation if the grant program should continue for affordable housing units only.

The **Downtown Rehabilitation and Redevelopment Tax Grant Program** will continue to operate as outlined in the program guidelines until a population target of 12,000 is met.

When the above population target is met, the Level 3 grant for the development of vacant or cleared land will be reduced by 50% as shown below:

Table 2: Level 3 Grant (Vacant or Cleared Land)

Year	Existing	New
1	60%	30%
2	60%	30%
3	50%	25%
4	40%	20%
5	30%	15%
6	20%	10%
7	10%	5%
8	10%	5%
9	10%	5%
10	10%	5%

The Level 1 grant for properties designated under Part IV of the *Ontario Heritage Act* and the Level 2 grant for existing buildings will continue to offer the grant schedules as outlined in the program guidelines for the Downtown, unless modified through another mechanism such as a Community Improvement Plan service review.

Once the population target is met as confirmed by Census of Canada data, a two-year grace period will be set before the grant percentage is reduced.

The trigger for a development project to be included in the program is the submission of a building permit application prior to the end of the grace period.

Assessment Value

Indicator

The assessment value of the properties in the Downtown community improvement project area.

Question

Is the assessment value growing?

Why it Matters

An increasing assessment value can indicate that property values are increasing because of growth and investment in the community. This can help increase the tax base city-wide.

Baseline

Table 3: Downtown Baseline Assessment Value (2015 to 2019)

Year	Value (in millions)	Annual Growth Rate
2015	\$1,645.3	
2016	\$1,702.9	3.5%
2017	\$1,747.7	2.6%
2018	\$1,811.5	3.7%
2019	\$1,956.8	8.0%

Target

A 1% per year assessment value growth rate in the Downtown community improvement project area.

Considerations

None.

Changes to Grant Programs

Not applicable.

Façade Condition

Indicator

Building façade condition.

Question

Are building façades being improved and upgraded?

Why It Matters

A well-maintained building façade provides an interesting and aesthetically pleasing environment for people to enjoy while living in or visiting a neighbourhood. Further, the maintenance, improvement, and beautification of the exterior appearances of buildings is a key theme throughout the Downtown Community Improvement Plan. The intent of the community improvement policies in the *London Plan* are to stimulate private sector property maintenance, repair, rehabilitation, redevelopment, and other forms of private sector investment and reinvestment activity. Specific community improvement policies also help to foster the revitalization and continued improvement of the downtown. Community improvement policies also encourage the conservation, restoration, adaptive re-use, and improvement of cultural heritage resources — including the façades of any heritage resource.

Baseline

A façade condition evaluation tool is being developed to determine the baseline data. Baseline data will be collected in year one.

Target

90% of façade condition being rated ‘does not need improvement.’

Considerations

The evaluation of a façade’s condition will be subjective. Civic Administration is developing an internal review process using the façade condition evaluation tool to account for this subjectivity, including potentially having multiple individuals review the same façade independently and taking the average of the results as the final value.

It is also important to note that the façade condition evaluation tool is for purposes only related to the Façade Improvement Loan Program and does not replace or overrule the City of London’s Property Standards By-Law.

Many properties may also be subject to specific processes or guidelines including the Downtown Heritage Conservation District Plan Guidelines and the Heritage Alteration Permit process.

Some unique properties will not be subject to the façade condition review, for example, the London Courthouse at 80 Dundas Street.

Changes to Façade Improvement Loan Program

Civic Administration will complete a comprehensive review of façade condition on a biennial basis for the downtown.

Once the target is met for façade conditions that are rated ‘does not need improvement’, Civic Administration will begin to transition the loan program to:

- Focus on the areas in downtown that are rated needs improvement
- Focus on Dundas Place
- Focus on the parts of façades that are receiving the lowest scores (for example, upper façades, storefronts, or lighting)

Targeted Uses

Indicator

The percentage of ground floor targeted uses in the community improvement project area.

Question

Are the financial incentive programs being used to establish businesses and uses that are in line with the objectives of the Downtown CIP and Key Directions of *The London Plan*?

Why It Matters

Targeted uses are uses that are considered pedestrian generators by helping to increase the liveliness of a neighbourhood and encouraging shopping and eating in the Downtown. Common examples include, restaurants, retail stores, and personal services for the surrounding residential community and people who work in the area.

Targeted uses play an important role in the City's Loan programs. In the Downtown, only properties with a targeted use are eligible to receive a Forgivable Loan. *The London Plan* Key Direction #5 discusses building a mixed-use compact city - mixing stores, restaurants, clean industry, live-work arrangements, and services in ways that respect the character of neighbourhoods, while enhancing walkability and generating pedestrian activity. By incentivizing for targeted uses, the City can help achieve this direction.

Baseline

144 storefronts and properties were measured in the targeted area.

Three-year (2017-2019) average: 66.5%

2020 data was not collected due to the COVID-19 pandemic.

Targets

75% to trigger a refinement; 90% to eliminate programs

Considerations

To reach the proposed targets in the Downtown, properties that are consistently vacant will require targeted use tenants and non-targeted uses will need to be replaced with targeted-uses.

Changes to the Loan Programs

Civic Administration will complete a comprehensive review of the targeted area in the Downtown on a biennial basis to determine the number of properties with a targeted use on the ground floor.

Once the 90% target is met, eliminate the forgivable component of the loan programs. If the target is not met, continue the program, and refine the targeted area to encourage targeted uses where they are needed most.

Ground Floor Vacancy Rate

Indicator

A healthy ground floor vacancy rate in the Downtown.

Question

Are the loan programs being used to renovate properties to help reduce ground floor vacancies?

Why It Matters

A healthy ground floor vacancy rate indicates there is choice in the market for interested business owners to locate in the neighbourhood.

A high vacancy rate may create gaps in the streetscape with little to no “eyes on the street” to help reduce undesirable behaviour.

Baseline

Table 4: Downtown Baseline Ground Floor Vacancy Rate

CIP	2017	2018	2019	Average
Downtown	16.0%	N/A	14.1%	15.1%

2018 data was not collected due to resource constraints.

2020 data was not collected due to the COVID-19 pandemic.

Target

A ground floor vacancy rate below 9%.

Considerations

The COVID-19 pandemic is having a significant impact on businesses across the city.

Civic Administration notes that the loan programs may contribute to reducing ground floor vacancies for property owners who are interested and motivated in finding tenants; however, there are property owners that do not always have that motivation.

Baseline data is a “snap-shot” of ground floor vacancies on the day the surveying was done.

Changes to the Loan Programs

Civic Administration will complete a comprehensive review of the ground floor businesses in the Downtown on a biennial basis to determine the number of properties with a vacant ground floor.

If the target is not met, continue the program, and refine the loan programs to target areas of the Downtown seeing the highest level of vacancies, prior to the adoption of the 2024-2027 Multi-Year Budget.

If the target is met, focus the loan programs to ensure the ground floor businesses are filled with targeted uses.

Existing Loan Measures

Indicators

1. The private sector investment generated by offering public sector loans for building improvements
2. Number of loans issued per year

Questions

1. Are the loan programs generating a positive rate of return and incentivizing property owners to invest?
2. Are property owners and tenants continuing to use the loans?

Why It Matters

The City's Façade Improvement Loan and Upgrade to Building Code Loan offer private property owners access to inexpensive funding (0% interest) to incentivize them to improve their properties.

Quality facades and storefronts will help conserve the built heritage and form of the downtown. Renovating facades, storefronts, roofs, and interiors will help ensure a buildings long-term viability. Renovated buildings may result in less vacancies.

Baseline

The minimum ratio is \$2 invested by the private sector for \$1 invested by the City.

The loan values were increased beginning in 2018 to reflect the increase in construction costs for renovation projects but this increase in loan value has a negative impact on the ratio. For example, prior to 2018, a \$200,000 investment in interior upgrades would result in a maximum \$50,000 loan for a 4.0 ratio, whereas post-2018, a \$200,000 investment would result in a \$100,000 loan for a 2.0 ratio.

Table 5: Upgrade to Building Code Loans for Old East Village and Downtown (2015 to 2020)

Year	Ratio	# of Loans Issued
2015	3.7:1	12
2016	2.5:1	12
2017	2.0:1	6
2018	2.8:1	10
2019	2.2:1	14
2020	2.7:1	12
AVG	2.7:1	11

Table 6: Façade Improvement Loans for Old East Village and Downtown (2015 to 2020)

Year	Ratio	# of loans issued
2015	2.8:1	7
2016	3.6:1	7
2017	2.0:1	1
2018	2.1:1	8
2019	2.8:1	6
2020	2.5:1	3
AVG	2.6:1	5

Targets

1. A minimum of \$2.8 to \$1 for both loan programs (same as the Core Area Action Plan)
2. A minimum of nine (9) loans issued per year in total in the Downtown

Considerations

Though Civic Administration continues to meet with prospective applicants, the number of new applications has declined in 2020-21, likely due to the COVID-19 pandemic.

Changes to the Loan Programs

Not applicable at this time, but up-take of both loan programs is constantly monitored. If up-take of the loan programs begins to decline and remain low in the Downtown, as part of the Community Improvement Plan service review for the 2024-2027 Multi-Year Budget and future service reviews, Civic Administration will consider:

- Refining the loan programs to tackle other City priorities (for example, building retrofits to address climate change)
- Focusing the loan programs on areas of the downtown that have seen little up-take
- Removing a loan program from the downtown

Appendix “B”

I hereby certify that the Municipal Council, at its meeting held on May 2, 2017 resolved:

13. That, on the recommendation of the Managing Director, Planning and City Planner, the following actions be taken with respect to the service review of the City’s Community Improvement Plans (CIPs) and associated incentive programs:

- a) the Residential Development Charges Programs for Downtown and Old East Village Community Improvement Plan Project Areas BE AMENDED to require the payment of the residential development charge at the time of building permit (“up front”) by the Applicant, and provide a phased grant-back program to re-pay the residential development charge; it being noted that this program change will generate an estimated \$620,000 of operating savings per year and \$6,000,000 of one-time savings;
- b) the City-wide Industrial Development Charge Program BE AMENDED to distinguish between targeted and non-targeted industrial uses to provide a maximum development charge rebate of \$250,000 equal to 50% of the development charge for the first \$500,000 for non-targeted industrial uses;
- c) the Rehabilitation and Redevelopment Tax Grant Programs for the Downtown and Old East Village Community Improvement Plan Project Areas BE AMENDED to increase the value of the grants for the retention and rehabilitation of properties designated under the *Ontario Heritage Act*;
- d) the Rehabilitation and Redevelopment Tax Grant Program, as amended in part c) above, BE PROVIDED for eligible properties located in the SoHo Community Improvement Plan Project Area; it being noted that this program was previously approved as part of the SoHo Community Improvement Plan, but not funded;
- e) the Upgrade to Building Code Loan and Grant Programs for the Downtown, Old East Village and SoHo Community Improvement Plan Project Areas BE AMENDED to increase the value of the loans available under these programs up to \$200,000 capped at 50% of the completed eligible improvements;
- f) the Upgrade to Building Code Loan and Grant Programs for Downtown and the Old East Village Community Improvement Plan Project Areas BE AMENDED to re-activate the “Forgivable Loan” programs for targeted uses within defined areas of the Downtown and Old East Village CIP project areas for a period up to three years;
- g) the Façade Improvement Loan and Grant Programs for Downtown, Old East Village and SoHo Community Improvement Plan Project Areas BE AMENDED to increase the value of the loans available under these programs up to \$50,000 capped at 50% of the completed eligible improvements;
- h) the Façade Improvement Loan and Grant Programs for Downtown and Old East Village Community Improvement Plan Project Areas BE AMENDED to re-activate the “Forgivable Loan” programs for targeted uses within defined areas of the Downtown and Old East Village CIP project areas for a period up to three years;
- i) Industrial Corridor Enhancement Grant Program BE FUNDED up to \$40,000 per year for eligible properties located within the Highway 401/402 Corridor; it being noted that this program was previously approved as part of the Industrial Lands Community Improvement Plan, but not funded;
- j) the Civic Administration BE DIRECTED to amend the Downtown Community Improvement Plan to expand the Community Improvement Plan Project Area boundary to include the Richmond Row area, and that the following programs be provided in the Richmond Row area:
 - i) Façade Improvement Loan Program; and,

- ii) Building Code Loan Program;
- k) a portion of the savings generated by the Community Improvement Plan amendments described in part a) above BE IDENTIFIED to potentially fund the following new programs pending the conclusion and the Municipal Council adoption of the Hamilton Road and Lambeth Community Improvement Plans:
 - i) Façade Improvement Loan Program (Hamilton Road and Lambeth); and,
 - ii) Building Code Loan Program (Hamilton Road);
- l) that \$200,000 of annual net savings generated as a result of this service review of the Community Improvement Plan program BE DIRECTED to address the budgeted savings target for the 2016-2019 multi-year budget;
- m) the Civic Administration BE DIRECTED to consider Forgivable Loan Programs for the SoHo, Hamilton Road and Lambeth Community Improvement Plan Project Areas as part of the 2024-2027 Multi-year Budget process;
- n) that Community Improvement Plans for the following Community Improvement Plan Project Areas BE AMENDED to include performance measures and indicators of success to align with current City policies and Council strategic directions:
 - i) Airport Area Community Improvement Plan;
 - ii) Brownfield Community Improvement Plan;
 - iii) Downtown Area Community Improvement Plan (including the “Richmond Row” expansion area);
 - iv) Heritage Community Improvement Plan;
 - v) Industrial Community Improvement Plan;
 - vi) Old East Village Community Improvement Plan; and
 - vii) SoHo Area Community Improvement Plan;
- o) as part of the monitoring of the revised incentive programs, the Civic Administration BE DIRECTED to report back on the experience of mid-rise and/or smaller scale residential development accessing the residential development charges grant program;

it being noted that the program changes recommended above (a) through i) above) will come into effect on January 1, 2018 following the preparation of new program guidelines for these programs; and,

it being further noted that these amended programs (identified in recommendations a) through i) above) will expire no later than December 31, 2023 pending a Municipal Council review of the program results to be provided prior to the adoption of the 2024-2027 Multi-year Budget, and that the review identify interim funding for any programs recommended to be carried forward to ensure that there is not a gap in program delivery;

Appendix “C”

Community Engagement

Public liaison: On December 17, 2020, Notice of Application was published in *The Londoner* and circulated through the circulation list and to interested parties and stakeholders for review and input on the proposed amendment. The Notice of Application was sent to 2,703 property owners in the surrounding area. This Notice included a link to the Get Involved London project webpage to allow the public the opportunity to review and provide feedback on the proposed amendment.

Nearly 250 visitors accessed the Get Involved London project webpage, with supporting documents being downloaded almost 40 times.

Five replies were received.

Nature of liaison: The purpose and effect of this Official Plan / Community Improvement Plan amendment is to introduce performance measures, indicators of success, and targets to the Downtown Community Improvement Plan. When met, the targets will inform Civic Administration to modify the incentive programs, including potentially reducing grant or loan funding, or to discontinue the incentive program.

Possible amendment to the Downtown Community Improvement Plan to add an Appendix that identifies performance measures, indicators of success, and targets for the Residential Development Charges Grant, Rehabilitation and Redevelopment Tax Grant, Upgrade to Building Code Loan, and Façade Improvement Loan programs, all pursuant to the provisions of Section 28 of the Planning Act and the Community Improvement Plan section of the Our Tools part of The London Plan.

Responses:

The five comments received were:

Seeking clarification on the proposed amendment and the financial incentive programs available in the downtown.

Seeking clarification on how the grant programs would work with their proposed downtown project.

Requesting that careful consideration and a conservative approach be taken to reducing any loan and grant funding.

Concern for:

Street involved individuals in the downtown.

Responses to the Public Liaison Letter and Publication in The Londoner

Telephone / Virtual Meeting	Written / E-mail
Jim Bujouves Farhi Developments 620 Richmond St, Suite 201	George Allan Tucker 280 Queens Ave. Q404
	Peter Stavrou
	Pat Tripp 405 – 7 Picton St
	Ali Soufan, President York Developments 330 Richmond St., Suite 201



303 Richmond Street, Suite 201
London, Ontario
N6H 2H8

Monday, February 22, 2021

Attention:
Britt O'Hagan, MCIP, RPP
Manager, City Building and Design

Graham Bailey, MCIP, RPP
Planner II, Urban Regeneration

Re: Community Improvement Plans – Performance Measures and Indicators of Success

Dear Mr. Graham Bailey,

We have had the opportunity to review the Planning Division report to the City's Planning and Environment Committee, dated November 16, 2020, relating to performance measures for the Downtown and Old East Village Community Improvement Plans (CIPs). In particular, we have assessed the findings of this report to determine if the service areas of these CIPs should be expanded to include lands located along the Dundas Street corridor between Colborne Street and Adelaide Street North (which we refer to as the 'Dundas West' corridor).

The Dundas West corridor extends approximately 700 m and contains a diverse mix of retail/service commercial uses, major institutional buildings, community-oriented activities and residential development. Sections of this corridor also include mixed-use buildings integrating commercial/residential uses in a 'mainstreet' format. Further, this corridor provides an important community connection between Downtown London and Old East Village.

As outlined in the City staff report, there are two grant programs targeted to properties in these specific CIPs (Residential Development Charges Grant; Rehabilitation and Redevelopment Tax Grant). Additionally, there are two loan programs available in these communities (Building Code Loan, Façade Improvement Loan). Section 7.2 of the report states that the two grant programs are specifically intended to increase the residential population in these areas recognizing that construction projects in these areas often encounter challenges/costs not found in greenfield settings.

We have reviewed the intent of these programs and the broader CIPs, and we offer the following comments.



303 Richmond Street, Suite 201
London, Ontario
N6H 2H8

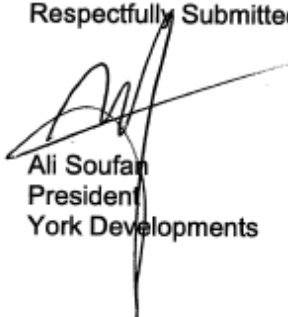
1. In addition to the evaluation of performance measures for current CIP programs, City staff should consider opportunities to expand the boundaries of these CIPs to provide a greater level of benefit in proximity to these communities. Specifically, we believe that Dundas West should be considered for inclusion within the Old East Village CIP boundary. From our perspective, this boundary refinement would help to better recognize, and strengthen, the contiguous development pattern along this section of the Dundas Street corridor.

2. We believe that City staff should also consider expanding the targeted service areas of the established grant programs to include Dundas West, given that development/redevelopment projects in these communities face comparable cost challenges as those planned within the current CIP boundaries. We are confident that the extension of these programs to Dundas West would help stimulate greater investment along this corridor, particularly investment in the residential sector. In effect, this action would not only promote the broad economic and social objectives of these programs, it would help provide a more consistent set of incentive programs for property owners located along the Dundas Street in proximity to both Downtown London and Old East Village.

Additionally, with respect to the grant/loan reduction strategies being evaluated by City staff, given the importance of Downtown London and the Dundas Street corridor to the City's overall vitality, we would suggest that if a reduction program is to be recommended to City Council, that it be designed with careful consideration and with conservative performance measures.

I would gladly discuss our request with you in more detail.

Respectfully Submitted,



Ali Soufan
President
York Developments

Agency/Departmental Comments

London Hydro – December 17, 2020

London Hydro has no objection to this proposal or possible official plan and/or zoning amendment. Any new or relocation of the existing service will be at the expense of the owner.

Stormwater Engineering Division – February 11, 2021

No SWN related comments.

Appendix “D”

Policy Context

The following policy and regulatory documents were considered in their entirety as part of the evaluation of this requested amendment. The most relevant policies, by-laws, and legislation are identified as follows:

Provincial Policy Statement (PPS)

1.1 – Managing and directing land use to achieve efficient and resilient development and land use patterns

1.1.1

1.1.3 – Settlement Areas

1.1.3.1

1.1.3.3

1.3 – Employment

1.3.1

1.4 – Housing

1.4.3 b) 2.

1.4.3 c)

1.7 – Long-Term Economic Prosperity

1.7.1 a)

1.7.1 d)

2.6 – Cultural Heritage and Archaeology

2.6.1

The Planning Act

28 (1) – Community improvement project area

28 (7) – Grants or loans re eligible costs

28 (7.1) – Eligible costs

The London Plan

Our Strategy

55 – Key Direction #1

57 – Key Direction #3

59 – Key Direction #5

Our City

153

164

Our Tools

1723

1724

1725

1726

1727

1728

1786