

Report to Planning and Environment Committee

To: Chair and Members
Planning and Environment Committee

From: George Kotsifas, P. Eng.
Deputy City Manager, Planning and Economic Development

Subject: SoHo Community Improvement Plan – Performance
Measures and Indicators of Success (O-9328)

Date: November 1, 2021

Recommendation

That, on the recommendation of the Director, Planning & Development, the proposed by-law attached hereto as Appendix “A” **BE INTRODUCED** at the Municipal Council meeting on November 16, 2021 to **ADD** an Appendix that sets out performance measures and indicators of success for the Community Improvement Plan (“CIP”).

Executive Summary

Summary of Request

The recommended amendment will add an appendix to the SoHo 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 SoHo 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 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 is consistent with the Provincial Policy Statement, 2020 (PPS). The PPS encourages the regeneration of settlement areas as they are critical to the long-term economic prosperity of communities and mainstreets.

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

The recommended amendment conforms to the policies of the SoHo 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 SoHo Community Improvement Plan grant and loan 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 grant and

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 intensification in the SoHo area. These programs help support more intense and efficient use of existing urban lands and infrastructure, and the regeneration of the existing communities. The financial incentives 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 Previous Reports Related to this Matter

Planning and Environment Committee – May 13, 2019 – New Measures and Indicators of Success

Planning and Environment Committee – November 16, 2020 – Community Improvement Plans Performance Measures and Indicators of Success

Planning and Environment Committee – March 29, 2021 – Downtown Community Improvement Plan – Performance Measures and Indicators of Success (O-9286)

Planning and Environment Committee – March 29, 2021 – Old East Village Community Improvement Plan – Performance Measure and Indicators of Success (O-9285)

Planning and Environment Committee – June 21, 2021 – CIP - Performance Measures and Indicators of Success

1.2 Community Improvement Plans

A Community Improvement Plan (CIP) is a tool prescribed by Section 28 of the *Planning Act* that is intended to replan, redesign, redevelop, and rehabilitate a designated area in need due to 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

The financial incentive programs in the Community Improvement Plan are often the tools to encourage and support community and economic redevelopment. The financial incentives are geared to encourage private sector investment in specific areas that further support the City's policy goals and objectives, for example a loan to improve a building.

1.3 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.

1.4 Draft Performance Measures, Indicators of Success, and Targets

On June 21, 2021, 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 the July 6, 2021 meeting.

The grant program being measured is the:

- Rehabilitation and Redevelopment Tax Grant

The draft indicators for the grant program are:

- Residential population
- The assessment value of the properties

The two loan programs being measured are:

- Façade Improvement Loan
- Upgrade to Building Code Loan

The draft indicators for the two loan programs are:

- Building façade condition
- 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 June 21, 2021 report.

The June 21, 2021 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 SoHo CIP was approved and adopted by Municipal Council in 2011. 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 SoHo 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 Recommended Amendments to the Financial Incentives and Rationale

The SoHo Community Improvement Plan has one (1) grant program and two (2) loan programs. The indicators of success and the targets for the financial incentives have not changed since the June 21, 2021 PEC report.

Grant Program:

The available grant is the Rehabilitation and Redevelopment Tax Grant. The objective of the program is to encourage residential development in the area. For the purposes of the CIP amendment, the Tax Grant provide will be measured by the population growth of the SoHo Area and the % change of assessed property values over time.

The target of 6,000 people in the SoHo area was determined as needed for the neighbourhood to have the ability to support the needs of the residential and commercial communities. Currently, the SoHo area has a population of 4,232 from the 2016 Canada Census Data. This population target would provide a ratio of residents to area of 32.2 people per hectare. The population target will be reached in about 2046 assuming about 6% increase of population per 5-year interval (from 2011 through 2016 the population increased by 5.86%). It is unknown how much the COVID-19 pandemic will affect residential population growth in Ontario and London. For example, will the recent drop in immigration to Canada be a blip in the short to mid-term or last much longer? Will housing price increases affect in-migration to London from other cities in Ontario and beyond?

The target for the percent change of assessed property values is 1% per year. This value was derived from the analysis for the Downtown and Old East Village CIP tax grants assessment values as at the time of writing. SoHo has only received one Tax Grant application and this sample size is too small to determine the impact of the program on assessed property values.

Loan Programs:

The Façade Improvement Loan program is available in SoHo and the objective of the program is to provide property owners loans at zero percent interest for up to 50% of the work up to \$50,000. The Upgrade to Building Code Loan is also available in SoHo and the objective of the program is to provide property owners loans at zero percent interest loans for up to 50% or \$200,000. The indicators of success for the loan programs are ground floor vacancy rate, the building façade condition, the number of applications received per year, and the ratio of private sector investment to public sector investment.

The target for the ground floor vacancy is less than 3%, where the current vacancy rate is 12.7%. The value was determined to be a healthy vacancy rate where there is vibrancy and pedestrian traffic on the street while allowing room for businesses to enter the market. The ground floor vacancy rate will be evaluated biennially. The COVID-19 pandemic had a significant impact on businesses across the city. At this time, it is too early to know how the pandemic, the resulting operating interruptions to local businesses, and the changing public behaviour around working from home, dining out, or gathering in large groups will affect the ground floor vacancy rate.

The target for the building façade condition is 90% of the façades on the streets do not need improvement. A façade evaluation checklist was developed and first tested in the field in 2021. At the time of writing, Civic Administration has not analyzed the data to determine the percent of facades do not need improvement.

The SoHo CIP area does not typically receive many loan applications. At the time of writing, only three applications for the Upgrade to Building Code Loan and none for the Façade Improvement Loan were received in the SoHo CIP area. The minimum target of three applications per year was determined to be appropriate. Though Civic Administration continues to meet with prospective applicants, the number of new applications in general declined in 2020 and 2021, likely due to the COVID-19 pandemic. Further, the Recovery Grant was issued in May, 2021 with an expiry date of June 11, 2021. There were four (4) applications received in SoHo for the Recovery Grant that may have otherwise applied for the loan programs.

The minimum ratio of private sector investment to public sector investment possible under the loan programs is 2:1. The target for the financial incentive loans is 2.8:1 that was derived using the data from the Downtown and Old East Village CIP financial incentive analysis as the application sample size for SoHo is too small.

4.0 Policy Context

4.1 The Planning Act

The *Planning Act* defines community improvement, community improvement plan (“CIP”), and community improvement project area (Section 28(1)).

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. 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 (Section 28(7.1)).

The loan and grant programs available in the SoHo CIP include loans and a grant to incentivize rehabilitation of the existing buildings. These programs are consistent with the community improvement goals in the SoHo CIP and the policies of The London Plan.

The loan and grant programs available through the SoHo 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 these programs will be measured. No changes to the programs that are being considered will result in nonconformity with Section 28 of the *Planning Act*.

4.2 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.

The PPS promotes efficient development to sustain the financial wellbeing of Municipalities (1.1.1(a)). 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). As such, settlement areas shall be the focus of growth and development (1.1.3.1). Further, the PPS states that Planning authorities shall establish and implement minimum targets for intensification and redevelopment within built-up areas based on local conditions (1.1.3.5).

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)). In addition, planning authorities shall facilitate the conditions for economic investment by identifying strategic sites for investment, monitoring the availability and suitability of employment sites, including market-ready sites, and seeking to address potential barriers to investment (1.3.1(c)).

The PPS states that 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 SoHo CIP encourage the regeneration of the SoHo area, which is located within the City of London settlement area. Further, the programs help enhance the vitality and viability of the Wellington Street corridor, that is considered a Main Street, by incentivizing rehabilitation of existing building stock, intensification, and the redevelopment of under-utilized areas. Therefore, 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 as it will not change how the loan and grant programs operate.

4.3 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 the policies discussed in this report related to community improvement and Map 8 – Community Improvement Project Areas are in force.

The Key Directions provide the vision of 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_7).

Main Streets are areas where urban regeneration efforts will be directed to sustain and enhance them and SoHo is considered a Main Street in (Policy 133_).

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). 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 Community Improvement Policies (1723_ through 1728_) of The London Plan provide the direction for implementing CIPs, including the objectives. One of the objectives is to stimulate private sector property maintenance, repair, rehabilitation, redevelopment and other forms of private sector investment and reinvestment activity (1727_4). Map 8 – Community Improvement Project Areas show the designated community improvement project areas within London (1786_).

The loan and grant programs, as well as the proposed amendment conform, with the in-force policies of *The London Plan*.

4.4 SoHo Community Improvement Plan

The Vision Statement of the SoHo CIP is, “our SoHo will be a vibrant and healthy urban neighbourhood that celebrates its rich sense of community and heritage. With its unique links to the Downtown and Thames River, SoHo will be a great place to live, work and play!” Multiple Strategic Directions of the SoHo CIP speak to the importance of mainstreets for the economic development of the community. In particular, Wellington Street and Horton Street, where the financial incentives are available, are highlighted as mainstreets that should have strong commercial corridors in SoHo. Further, commercial corridors should be the focus to build strong and safe connections to the Downtown and the Thames River. Furthermore, establishing incentive programs for commercial buildings in the mainstreets of SoHo was identified as an implementation strategy in the SoHo Community Improvement Plan.

The financial incentive programs comply with the vision and the strategic directions of the SoHo CIP as they encourage development and redevelopment of commercial buildings along the mainstreets. Further, the amendment to add an appendix to measure the success of the financial incentives complies with the SoHo CIP and further support the goals and objectives of community improvement. Once the targets are achieved, then resources may be allocated to other areas of the SoHo CIP area.

5.0 Public and Stakeholder Consultations

On July 15th, 2021, Notice of Application was mailed to property owners in the SoHo CIP area, published in The Londoner, and circulated to interested parties and stakeholders for review and input on the proposed amendment. In addition, there was a Get Involved London project page that went live at the same time. In total, five comments were received. The general response was favourable to the project, while some individuals contacted the City to gather more information of the financial incentives available in the area. Further information of the public consultation is found in Appendix “C” of this report.

Conclusion

The recommended amendment to the SoHo 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 one grant program available to property owners and tenants within the SoHo 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 provide a stronger rationale for recommending 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, conforms with the Planning Act, and complies with The London Plan and the SoHo Community Improvement Plan.

Prepared by:	Jasmine Hall, MCIP RPP Planner II, Urban Regeneration
Reviewed by:	Jim Yanchula, MCIP RPP Manager, Core Area and Urban Regeneration
Recommended by:	Gregg Barrett, AICP Director, Planning and Development
Submitted by:	George Kotsifas, P. Eng. Deputy City Manager, Planning and Economic Development

Appendix “A”

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

By-Law No. C.P.-1444

A by-law to amend the SoHo 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 SoHo community improvement project area;

AND WHEREAS the SoHo 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 SoHo Community Improvement Plan;

AND WHEREAS the Municipal Council of The Corporation of the City of London deems it appropriate to amend the SoHo 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 SoHo Community Improvement Plan, as contained in the text attached hereto as Schedule “1” and forming part of this By-law being “Appendix to the SoHo 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 November 16, 2021.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – November 16, 2021
Second Reading – November 16, 2021
Third Reading – November 16, 2021

AMENDMENT NO.
to
THE SOHO COMMUNITY IMPROVEMENT PLAN

A. PURPOSE OF THIS AMENDMENT

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

B. LOCATION OF THIS AMENDMENT

This amendment applies to all lands within the SoHo community improvement project area that are eligible for financial incentives.

C. BASIS OF THE AMENDMENT

The addition of an appendix to the SoHo 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 improve the 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 SoHo Community Improvement Plan is hereby amended as follows:

1. Schedule "1" – Appendix to the SoHo Community Improvement Plan is added as Appendix A to the SoHo Community Improvement Plan.

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

Appendix A outlines performance measures, indicators of success, and the related targets for the loan and grant programs available through the SoHo 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 SoHo Community Improvement Plan and the policies of *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 A may be reduced, amended, or discontinued at the direction of Municipal Council without amendment to the SoHo 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
- 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 SoHo Community Improvement Area.

Question

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

Why it Matters

The SoHo area is identified as a Rapid Transit Corridor Main Street segment of *The London Plan*. Main Street segments will continue to provide local shopping and commercial options so that residents can walk to meet their daily needs. Further, the Strategic Direction #5 'Build a mixed-use compact City' of *The London Plan* is to sustain, enhance, and revitalize main streets and urban neighbourhoods.

Baseline

- The 2016 Census of Canada indicated the population at 4,232 people;
- The 2016 residential population density is 22.73 people / hectare;
- The five-year residential population growth rate (2011 to 2016) is 5.83%

Targets

- A residential population of 6,000 people in the SoHo area has been identified as the target needed for the neighbourhood to have the ability to support the needs of the residential and commercial communities.
- A population of 6,000 people is 32.2 people / hectare.
- Five-year SoHo residential population growth rates:
 - 2021-2026: > 6 %
 - 2026-2031: > 6 %
 - 2031-2035: > 6 %

Note, that using the target percentages, the population target will be reached in 2046.

Considerations

The Protected Major Transit Station Areas Information Report presented at the August 10, 2020 meeting of the Planning and Environment Committee contained forecasted density (residents and jobs combined per hectare) for identified major routes for the City of London until 2034.

The City of London's population and employment are forecast to grow by 77,000 new residents and 43,000 new jobs by 2035, according to the Protected Major Transit Station Areas Information Report (August 10, 2020, Planning and Environment Committee). In the South Rapid Transit Corridor where SoHo is located, the 2035 target is 48 jobs and residents per ha.

Proposed Changes to Grant Programs

The SoHo Rehabilitation and Redevelopment Tax Grant Program will continue to operate as outlined in the program guidelines for the SoHo area until the population target of 6,000 is met. Once the target is met, a possible amendment to the Tax Grant program may be proposed.

Assessment Value

Indicator

The assessment value of the properties in the SoHo 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

Baseline data will be collected in year one.

Proposed Target

A 1% per year assessment value growth rate in the SoHo area.

Considerations

None.

Proposed 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. 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. Within each of the CIP areas subject to this report, there are improvement policies meant to target specific areas, such as commercial corridors and mainstreets. 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 has been developed to determine the baseline data. Baseline data will be collected in year one (2021).

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

Target

90% of façade condition being rated ‘does not need improvement.’ This target will be refined once the baseline data has been collected.

Considerations

The evaluation of a façade’s condition tends to be subjective. City Staff developed the façade evaluation tool to mitigate the subjectivity of evaluating the façade condition. The calculation of the façade value will provide a percentage of applicable façade attributes that need improvement or not. Further, evaluations may include multiple individuals reviewing the same façade independently and taking the average of the results as the final value.

It is also important to note that the façade 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 or a Heritage Alteration Permit process.

Changes to Façade Improvement Loan Program

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

Ground Floor Vacancy Rate

Indicator

A healthy ground floor vacancy rate in the SoHo CIP area.

Question

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

Why It Matters

A high vacancy rate may create gaps in the streetscape with little to no “eyes on the street” to help reduce undesirable behaviour. Conversely, Main Streets with lots of businesses provides more “eyes on the street” and creates vibrancy in the community. A healthy ground floor vacancy rate is also important as it indicates there is choice in the market for interested business owners to locate in the neighbourhood.

Baseline

Table 1: SoHo Baseline Ground Floor Vacancy Rate

CIP	2019	2021	Average
SoHo	12.7 %	12.7 %	12.7%

Target

A ground floor vacancy rate below 3%.

Considerations

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 SoHo CIP areas 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 program to target areas seeing the highest level of vacancies where they are needed most.

If the target is met, focus the loan programs to ensure the ground floor businesses are tenanted 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 Program offer private property owners with access to inexpensive funding (0% interest) to incentivize them to improve their properties.

Quality facades and storefronts will help conserve the built heritage and the form of buildings in our communities. Renovating facades, storefronts, roofs, and interiors will help ensure a building's long-term viability. Further, renovated buildings may result in fewer vacancies.

Baseline

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

Targets

1. A minimum of \$2.8 to \$1 for both loan programs
2. A minimum of three (3) loans issued per year in total in SoHo

Considerations

The loan values were increased beginning in 2018 to reflect the increase in construction costs for renovation projects and 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.

Changes to the Loan Programs

As a result of the Community Improvement Plan Review for the 2024-2027 Multi-Year Budget, Civic Administration may consider the following depending on findings:

- 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 SoHo; and
- Removing a loan program from SoHo.

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 July 15th, 2021, 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 property owners within 120 metres from the SoHo CIP area. The Notice of Application 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.

There were 119 visitors that accessed the Get Involved London project webpage, with supporting documents being downloaded 58 times.

The Get Involved page included 3 quick poll questions. Below are the questions and the results received.

1. How Important do you feel Financial Incentives are for Community Improvement?

There were four responses were received and 100 % answered as ‘very important’.

2. If eligible, how likely are you to apply for a Grant or Loan in the next 5 years?

There was one response received and answered as ‘somewhat likely’. There was one response received and answered as ‘somewhat likely’.

3. Which Community Improvement Plan Financial Incentive area is your property located?

There were three responses received and one of them responded that they were in the SoHo area.

Further, the Get Involved page had an opportunity for webpage viewers to ask questions regarding the project. There were no questions received regarding the SoHo Community Improvement Plan project.

There were two phone calls of property owners that were received. One property owners wanted to receive additional information on the financial incentives that may be available to them. One caller expressed concerns of public funds being used to support the private sector. Two emails were received: one provided some suggestion on community improvement and another to inquire about available financial incentives. In addition, there was one written comment received that provided a suggestion for community improvement in SoHo that was not related to financial incentives.

Agency Comments:

London Hydro – July 22, 2021

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.

July 27, 2021

City Planning,
City of London,
206 Dundas St.,
London ON N6A 1G7



Euthanasia Prevention Coalition

Attention: Jasmine Hall

**Re: File: 0-9328 Notice of Planning Application—Official Plan Amendment
SoHo CIP—Financial Incentives Measures and Indicators**

We received the Date of Notice: July 23, 2021 of the above mentioned Official Plan Amendment via snail mail on July 27, 2021, and wish to respond. We own the property located at 383 Horton Street East, London, ON N6B 1L6, which is located *right across the street from London Fire Hall Station Number One*, within the Community Improvement Project Area as per Schedule 3. Currently, our address and area businesses down Horton Street aren't serviced with high-speed fibre internet, though we have pleaded with Bell Canada's executive office to service the area.

For this community to attract and establish new businesses, retain thriving businesses, and appeal to and maintain high quality employees in our work environments, **we ask that the City of London reach out and ask that our community be wired with high-speed fibre internet as soon as possible. As an example, the small town of Glencoe, Ontario, is getting high-speed fibre internet. Why is this Community Improvement Project Area not fully serviced immediately?**

Since our area does not have reliable high-speed fibre internet, this failure limits our businesses' access to cloud environments, cloud software and data storage, video conferencing and work-from-home arrangements. Based on our current internet speed test at 383 Horton Street East, **upload speed averages a measly 0.86 Megabits per second, and download speed averages 11.1 Megabits per second.** This is not acceptable internet speed for any business to succeed in London!

Our businesses are more dependent on technology and software within cloud environments, and without access to high-speed fibre internet, businesses here are failing to compete and thrive.

Additionally, high-speed fibre internet is required to access premium smart business/home security and alarm monitoring systems for our community to help deter criminal activity. Note that security video cameras require high-speed fibre internet to operate: multiple large images must be received and sent in real time, and without high-speed fibre internet, our community is less secure.

Again, we ask that the City of London obtain high-speed fibre internet as soon as possible for the benefit of our community's businesses and residences.




Sincerely,



Alex Schadenberg, Executive Director

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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:

The Planning Act

- 28 (1) – Community improvement project area
- 28 (7) – Grants or loans re eligible costs
- 28 (7.1) – Eligible costs

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

1.7 – Long-Term Economic Prosperity

1.7.1 a)

1.7.1 d)

2.6 – Cultural Heritage and Archaeology

2.6.1

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