

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: Hamilton Road Area Community Improvement Plan –
Performance Measures and Indicators of Success (O-9330)

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 Hamilton Road Area Community Improvement Plan that contains performance measures, indicators of success, and targets for the loan 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 programs available through the Hamilton Road Area 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 programs, including when to reduce or discontinue programs.

Rationale of Recommended Action

The recommended amendment conforms with the *Planning Act*, as the loan 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 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 Hamilton Road Area 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 Hamilton Road Area Community Improvement Plan 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 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 programs support the City's commitment to reducing and mitigating climate change by encouraging and incentivizing intensification on Hamilton Road. Further, the loans help support more intense and efficient use of existing urban lands and infrastructure, and the regeneration of the existing communities. 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 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 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 Hamilton Road Area CIP was not included in the 2017 Council Resolution, however, the amendment will bring consistency with how to measure the success of CIPs similar to how the Old East Village and Downtown CIPs are evaluated. 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 its July 6, 2021 meeting.

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

Additional details on the loan 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

Civic Administration have reviewed and monitored the loans, 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 programs
- Determine if the loan programs are being successful in achieving the objectives of the Hamilton Road Area Community Improvement Plan and The London Plan
- Provide recommendations to Municipal Council on when to reduce funding and/or discontinue or amend the loan programs

3.0 Recommended Amendments to the Financial Incentives and Rationale

The Hamilton Road Area Community Improvement Plan has two (2) loan programs that are both forgivable – the Façade Improvement Loan and the Upgrade to Building Code

loans. The indicators of success and the targets for the financial incentives are similar to the June 21, 2021 PEC report. The proposed new appendix for the Hamilton Road Area CIP containing the recommended measures, indicators, and targets is attached as Schedule "1" to Appendix "A" of this report.

The Façade Improvement Loan program is available in the Hamilton Road Area CIP 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 the Hamilton Road Area CIP and the objective of the program is to provide property owners loans at zero percent interest loans for up to 50% up to \$200,000. The indicators of success for the loan programs are ground floor vacancy rate, the building façade condition, the % of Targeted Uses, 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 6.65%. 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 facades 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 target for the percentage of Targeted Uses is 75% to trigger refinement of the forgivable portion of the loan programs and 95% to eliminate the forgivable portion of the loan programs. The percentage of Targeted Uses were found to be 40.2% in 2019 and 37.3% in 2021.

The Hamilton Road Area CIP does not typically receive many loan applications. At the time of writing, only four (4) applications for the Upgrade to Building Code Loan and three (3) for the Façade Improvement Loan were received in the Hamilton Road Area CIP area since the inception of the programs. The minimum target of three (3) 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 nine (9) applications received in Hamilton Road Area 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 the Hamilton Road Area 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)).

In 2018, Municipal Council designated the Hamilton Road community improvement project area and adopted the Hamilton Community Improvement Plan that outlines the community improvement goals for that area and the loan programs for the area. The loan programs available through the Hamilton Road CIP incentivize rehabilitation of the existing buildings. Therefore, these loan programs conform with Section 28 of the *Planning Act*. 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 non-conformity with Section 28 of the *Planning Act*.

4.2 Provincial Policy Statement, 2020

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 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 programs available through the Hamilton Road Area CIP encourage the regeneration of Hamilton Road, that is within the City of London settlement area. Further, the loan programs focus redevelopment and reinvestment in the Hamilton Road area. The amendment does not change how the loan programs operate and simply provides clarity of how success of the programs is measured. Therefore, the loan programs and the recommended amendment are consistent with the PPS.

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 (131_). Hamilton Road 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 bulk of the detail and direction for implementing such plans. 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 programs and the proposed amendment conform with the in-force policies of The London Plan.

4.4 Hamilton Road Area Community Improvement Plan

The vision of the Hamilton Road Area CIP is that by 2027, the area will be an attractive destination in London filled with heritage, diverse local businesses and multicultural restaurants, as well as a safe and welcoming neighbourhood. Some of the objectives of the Hamilton Road Area CIP are to stimulate private sector investment in revitalizing and rehabilitating and encourage the conservation and restoration of local heritage resources.

The loan programs support the vision and the objectives of the Hamilton Road Area CIP as the loans focus on rehabilitation by incentivizing private sector investment. Therefore, the amendment to the CIP complies with the Hamilton Road Area Community Improvement Plan.

5.0 Public and Stakeholder Consultations

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. In addition, there was a Get Involved London project page that went live at the same time. In total, comments and questions were received from the Get Involved website (four), phone calls (three), and emails (two). In addition, separate conversations with the Hamilton Road BIA and Hamilton Road Community Association were held regarding the project. The general response was favourable to the project and 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 Hamilton Road Area Community Improvement Plan will add an appendix to the CIP that introduces performance measures, indicators of success, and targets for the two loan programs available to property owners and tenants within the Hamilton Road community improvement project area. The measures, indicators, and targets will assist Civic Administration with better measuring the success of the loan 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 and the Hamilton Road Area Community Improvement Plan.

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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 Hamilton Road Area 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 Hamilton Road community improvement project area;

AND WHEREAS the Hamilton Road 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 Hamilton Road Area Community Improvement Plan;

AND WHEREAS the Municipal Council of The Corporation of the City of London deems it appropriate to amend the Hamilton Road Area 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 Hamilton Road Area Community Improvement Plan, as contained in the text attached hereto as Schedule “1” and forming part of this By-law being “Appendix to the Hamilton Road Area 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 HAMILTON ROAD AREA COMMUNITY IMPROVEMENT PLAN

A. PURPOSE OF THIS AMENDMENT

The purpose of this Amendment is to add an appendix to the Hamilton Road Area Community Improvement Plan relating to performance measures, indicators of success, and targets for the financial incentive programs Façade Improvement Loan, Upgrade to Building Code, Forgivable Façade Improvement Loan, and Forgivable Upgrade to Building Code Improvement Loan).

B. LOCATION OF THIS AMENDMENT

This Amendment applies to all lands within the Hamilton Road community improvement project area that are currently eligible for the financial incentives.

C. BASIS OF THE AMENDMENT

The addition of an appendix to the Hamilton Road Area 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 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 Hamilton Road Area Community Improvement Plan is hereby amended as follows:

1. Schedule "1" – Appendix to the Hamilton Road Area Community Improvement Plan is added as Appendix A to the Hamilton Road 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 programs available through the Hamilton Road Area Community Improvement Plan.

These measures and indicators will:

- Assist Civic Administration with the management of the loan programs
- Help determine if the loan programs are being successful in achieving the objectives of the Hamilton Road Area 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 programs

Civic Administration may also recommend changes to the loan 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 loans mentioned in Appendix A may be reduced, amended, or discontinued at the direction of Municipal Council without amendment to the Hamilton Road Area Community Improvement Plan.

The performance measures, indicators of success, and targets linked to the loan programs are:

- Building façade condition
- % of targeted uses
- Ground floor vacancy rate
- The private sector investment generated by offering public sector loans for building improvements
- Number of loans issued per year

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 of this report, there are improvement policies meant to target specific areas, such as commercial corridors. 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 Hamilton Road CIP area.

Target

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

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 Hamilton Road Area that are rated needs improvement
- 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 targeted uses in the Hamilton Road 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 Hamilton Road Area CIP and key directions of The London Plan?

Why It Matters

Targeted Uses are uses that are considered pedestrian generators by helping increase the liveliness of a neighbourhood and encouraging shopping and eating in the Hamilton Road area. Common examples include, restaurants, retail stores, and support 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 Hamilton Road area, only properties with a Targeted Use are eligible to receive a Forgivable Loan. The London Plan Strategic 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

In the Hamilton Road area, 126 (37.3 %) storefronts and properties were considered to have a targeted use in 2021 measured in the Targeted Incentive Zone of the CIP. From the 2019 data: 105 (40.2 %) storefronts and properties were considered to have a targeted use in 2019 measured in the Targeted Incentive Zone of the CIP.

Proposed Targets

Hamilton Road Area – 75% to trigger a refinement; 95% to eliminate the forgivable portion of the Façade Improvement Loan.

Considerations

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

Proposed Changes to the Loan Programs

Civic Administration will complete a comprehensive review of the targeted uses in the Hamilton Road Area on a biennial basis to determine the number of properties with a targeted use on the ground floor.

Once the 95% target is met, eliminate the Forgivable Façade Improvement Loan. If the target is not met, continue the programs to encourage targeted uses where they are needed most.

The Forgivable Upgrade to Building Code Loan amount will remain at a maximum of \$200,000 with 12.5% of the annual loan repayment being forgivable if the ground floor of the property is actively occupied by a Targeted Use. This will continue until the next Community Improvement Plan Review for the 2024-2027 Multi-Year Budget.

Ground Floor Vacancy Rate

Indicator

A healthy ground floor vacancy rate in the Hamilton Road Area.

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 1: Hamilton Road Area Baseline Ground Floor Vacancy Rate

CIP	2019	2021	Average
Hamilton Road	7.3 %	6 %	6.65 %

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 the Hamilton Road Area CIP 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, 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 and Upgrade to Building Code Loan programs offer property owners with access to inexpensive funding (0% interest) to incentivize them to improve their properties.

Quality facades, storefronts, and signs beautify the form of buildings in our communities and helps to ensure a building's long-term viability. Further, renovated buildings may result in fewer vacancies.

Baseline

The minimum ratio 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 (for both loan programs)
2. A minimum of three (3) loans issued per year in total in the Hamilton Road area

Considerations

The number of loan applications received, and the amount of private sector investment may be impacted by external forces outside the control of the City.

Changes to the Loan Programs

Not applicable at this time, however, up-take of both loan programs is constantly monitored. 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 Hamilton Road area; and
- Removing a loan program from the Hamilton Road area.

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 Hamilton Road Area 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 three (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 located in the Hamilton Road area.

Further, the Get Involved page had an opportunity for webpage viewers to ask questions regarding the project. Four responses on the Get Involved website were received that either asked for additional information of the project and/or supported investment in the community.

Three phone calls of property owners that were received. Two of the calls were 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 that both were asking if their properties were eligible for any loans.

There was a virtual meeting held on July 28th, 2021 with the Hamilton Road BIA (Bethany Mejia and Dave Broostad) to discuss the project. There were no concerns regarding the project and the measures and targets proposed in the project. A phone call was received by the Hamilton Road Area Community Association to discuss the project and no comments or concerns were received.

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.

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