

Bill No. 532  
2021

By-Law No. C.P.-1480( )-\_\_\_\_

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 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.

## Schedule “1” – Appendix 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 main streets. 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**

<b>CIP</b>	<b>2019</b>	<b>2021</b>	<b>Average</b>
SoHo	12.7 %	12.7 %	<b>12.7%</b>

#### **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.