

Authority: Planning and Housing Committee Item PH26.1,
adopted as amended, by City of Toronto Council on
October 1 and 4, 2021

CITY OF TORONTO

Bill 791

BY-LAW -2021

To enact a new City-Wide Community Improvement Plan for the Renovation and Rehabilitation of Commercial and Industrial Properties.

Whereas pursuant to subsection 28(2) of the Planning Act, the City of Toronto has been designated as a Community Improvement Project Area; and

Whereas subsection 28(4) of the Planning Act provides for adoption of a community improvement plan respecting the areas designated as a Community Improvement Project Area; and

Whereas the City of Toronto Official Plan contains provisions relating to community improvement in the areas contemplated in this by-law; and

Whereas a public meeting has been held in accordance with the Planning Act;

The Council of the City of Toronto enacts:

1. The community improvement plan attached to and forming part of this by-law as Schedule "A" is hereby adopted as a Community Improvement Plan for the Renovation and Rehabilitation of Commercial and Industrial Properties in the City of Toronto.

Enacted and passed on October , 2021.

Frances Nunziata,
Speaker

John D. Elvidge,
City Clerk

(Seal of the City)

SCHEDULE "A"

A Community Improvement Plan for the Renovation and Rehabilitation of Commercial and Industrial Properties in the City of Toronto

1 PROJECT AREA & SUMMARY

1.1 Project Area

This Community Improvement Plan (CIP) applies to the City of Toronto Community Improvement Area boundaries.

1.2 Summary

This CIP enables the City to provide grants to commercial and industrial property owners, and business tenants of such properties, to enhance building facades, improve exterior spaces, and renovate interior spaces that serve a business purpose. Support is to be provided through three programs, the Commercial Façade Program, the Commercial Rehabilitation Grant Program, and the Commercial and Industrial Property Improvement Program.

2 AUTHORITY

Section 28 of the Planning Act authorizes municipalities to designate a Community Improvement Project Area (CIPA) where there is an official plan in effect that contains provisions relating to community improvement in the municipality. The Planning Act further authorizes Council to prepare a plan suitable for adoption as a Community Improvement Plan (CIP) for the CIPA.

The City of Toronto Official Plan contains policies related to Community Improvement as required in order to designate and prepare plans for a Community Improvement Project Area ("CIPA") as envisioned in Section 28 of the Planning Act.

The Planning Act defines CIPA as "a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason".

The City of Toronto has been designated as a CIPA.

The Planning Act authorizes municipalities to use a CIP to "make grants or loans to the registered owners, assessed owners, and tenants to pay for the whole or any part of the cost of rehabilitating such lands and buildings in conformity with the community improvement plan".

The City of Toronto Official Plan provides that CIPAs will be identified for areas exhibiting:

- physical decline in local building stock

- barriers to the improvement or redevelopment of vacant or underutilized land or buildings such as contaminated soil, fragmented ownership, or financial disincentive to private investment; or
- declining social, environmental and/or economic conditions.

Section 5.2.2 of the Official Plan states that "Community Improvement Plans will be prepared to promote the maintenance, rehabilitation, revitalization and/or conservation of selected lands, building and communities facing challenges of transition, deficiency or deterioration or for any other environmental, social or community economic development reason".

The Official Plan further provides that CIPs will be prepared to provide direction regarding the following:

- allocation of public funds, in the form of grants, loans or other finance instruments, for the physical rehabilitation or improvement of private land and/or buildings including rehabilitation of contaminated properties; and
- other municipal actions, programs or investments for the purpose of stimulating production of affordable housing, strengthening neighbourhood stability, facilitating local physical or economic growth, improving social or environmental conditions, or promoting cultural development.

Section 82 of the City of Toronto Act, 2006 prohibits the City from assisting any manufacturing business or other industrial or commercial enterprise financially.

However, the Act provides an exception to this rule when financial incentives are provided pursuant to the Community Improvement provisions under Section 28 of the Planning Act.

3 BASIS

The City has an economic and social interest in enhancing the vibrancy, attractiveness and economic viability of its commercial areas, which are centres of community, cultural and entrepreneurial activity. They provide employment opportunities for local residents, and are often one of the defining features and community hubs for the City's long-established and emerging neighbourhoods.

Likewise, the City has an interest in supporting the economic viability, safety and attractiveness of its industrial buildings and areas, and their ability to generate economic activity and employment opportunities. The readiness of industrial buildings and properties to better accommodate existing, expanding and new businesses, and their ability to compete regionally and internationally for such businesses, is of key importance to the City's economic well-being.

The cost of interior renovations and leasehold improvements to commercial properties is a significant barrier to new businesses and can prevent the repurposing of vacant spaces. The tools enabled in this CIP will allow the City to provide financial assistance to property owners and business tenants to improve their commercial and industrial buildings and properties, and in

doing so enhance their appearance, functionality, safety and competitiveness in a rapidly-changing economic environment.

4 OBJECTIVES OF THE CIP

The primary objective of this CIP is to enhance the economic viability, vibrancy and competitiveness of the City's commercial and industrial areas by providing direct financial assistance to commercial and industrial property owners and tenants for a range of improvements.

The objectives of the program will be met through three channels of support; for exterior façade improvements through the Commercial Façade Improvement Program (CFIP), interior renovations through the Commercial Rehabilitation Grant Program (CRGP), and property and site enhancements through the Commercial and Industrial Property Improvement Program (CIPIP).

5 COMMERCIAL FAÇADE IMPROVEMENT PROGRAM

This CIP enables the City to provide Commercial Façade Improvement Program grants to commercial property owners and tenants for façade improvements.

5.1 Program Eligibility

The Commercial Façade Improvement Program is offered to commercial property owners and business tenants of such properties within the City of Toronto.

No property shall receive grants totalling more than the maximum grant outlined in Section 5.4 over any 10 year period.

5.2 Applicant Eligibility

Grant applicants must:

- a) be the owner or business tenant of a commercial property; and
 - i. a commercial property must be used for commercial purposes at street level; and
 - ii. a tenant must have the written permission of the owner to make any improvements to the property and receive grants.
- b) apply and be granted approval for any grants prior to commencing the proposed improvements;
- c) propose through an application a minimum of three (3) of the Eligible Improvements;
- d) agree to the terms and conditions of the Commercial Façade Improvement Program.

Applicants who have not received the maximum grant may reapply for funding in subsequent years. However, the total of any Façade Improvement Program grants issued for any property over any 10 year period shall not exceed the maximum grant amounts outlined in Section 5.4.

All applications must conform to all applicable legislation and regulations, City by-laws, policies, and processes, and all improvements must be made pursuant to an approved building permit, and conform to the Ontario Building Code and applicable zoning requirements and development approvals.

5.3 Eligible Improvements

To qualify for funding, eligible improvements must be visible from a public street, public laneway or publicly-accessed private laneway.

Eligible improvements include the following exterior façade improvements:

- Brick cleaning and restoration treatments
- Re-pointing of brick masonry
- Replacement of doors or windows with higher energy performance rating doors and windows
- Replacement or repair of cornice, parapets and other architectural features
- Installation or replacement of awnings or canopies
- Installation and improvement of wall-mounted signage
- Installation or upgrading of exterior decorative or security lighting
- Accessibility improvements which meet *Accessibility for Ontarians with Disabilities Act* ("AODA") design standards
- The addition of exterior insulation on the roof and building façades facing on to rear laneways
- Other facade improvements as agreed to by the General Manager of Economic Development and Culture or their designate

Exterior painting costs (not including the painting of brick) may be covered as part of the eligible improvements listed above.

5.4 Grant Amount

- Commercial property owners and business tenants are eligible for a grant covering a maximum of 50 percent of the cost of eligible façade improvements.

- The grant awarded will be based upon the lowest contractor estimate submitted with the application.
- Applicants are eligible for a maximum base grant of up to \$12,500 for eligible improvements.
- Additional grant funding of up to \$2,500 is available for exterior accessibility improvements which meet *Accessibility for Ontarians with Disabilities Act* ("AODA") design standards.
- Multi-unit properties are eligible for additional grant funding of up to \$2,500 per unit for each additional unit for which improvements are proposed to a maximum of \$12,500.
- Architectural, engineering, certified *Accessibility for Ontarians with Disabilities Act* ("AODA") specialist, and Building Code Identification Number (BCIN) registered designer fees may be covered to a maximum of \$2,000 per application as part of the base grant.
- The minimum base grant amount is \$2,500.

5.5 Program Administration and Implementation

The Economic Development and Culture Division will administer the Commercial Façade Improvement Program. It will work with applicants to help ensure that the Program objectives are achieved. Grants will be made available annually, subject to budget availability, and completed applications will be considered on a "first-come-first-served" basis in order of submission date until such time as the Council-approved Program funding is fully allocated.

Decisions regarding financial commitments to the Commercial Façade Improvement Program will be at the discretion of City Council in each budget year.

6 COMMERCIAL REHABILITATION GRANT PROGRAM

This CIP enables the City to provide Commercial Rehabilitation Grant Program grants to commercial property owners for interior improvements.

6.1 Program Eligibility

The Commercial Rehabilitation Grant Program is offered to commercial property owners and business tenants of such properties within the City of Toronto.

6.2 Applicant Eligibility

Grant applicants must:

- a) be the owner or business tenant of a commercial property; and

- i. a commercial property must be used for commercial purposes at street level; and
 - ii. a tenant must have the written permission of the owner to make any improvements to the property and receive grants;
- b) apply and be granted approval for any grants prior to commencing the proposed improvements;
- c) propose through an application a minimum of three (3) of the Eligible Improvements;
- d) agree to the terms and conditions of the Commercial Rehabilitation Grant Program.

Applicants who have not received the maximum grant may reapply for funding in subsequent years. However, the total of all Commercial Rehabilitation Grant Program grants issued for any property over any 10 year period shall not exceed the maximum grant amounts outlined in Section 6.4.

All applications must conform to all applicable legislation and regulations, City by-laws, policies, and processes, and all improvements must be made pursuant to an approved building permit, and conform to the Ontario Building Code and applicable zoning requirements and development approvals.

6.3 Eligible Improvements

Eligible interior building improvements for a business premises:

- Electrical upgrades
- Plumbing upgrades and plumbing fixtures
- HVAC upgrades and kitchen exhaust/ventilation, including energy efficient systems that operate on electricity such as heat pumps
- Building structural upgrades
- Interior lighting, light fixtures and security systems
- Improvements related to fire prevention or suppression
- Improvements to reduce energy or water consumption
- Improvements that help achieve public health objectives
- Flooring, floor coverings, floor finishes, walls, ceilings, wall or ceiling treatments and interior painting visible to clients or customers

- Permanently-affixed counters, shelving, interior signage and merchandise displays visible to clients or customers
- The installation of interior insulation, reframing interior walls for the purposes of adding insulation, and the sealing of air leaks
- Accessibility improvements which meet *Accessibility for Ontarians with Disabilities Act* ("AODA") design standards
- Other interior building improvements as agreed to by the General Manager of Economic Development and Culture or their designate.

6.4 **Grant Amount**

- Commercial property owners and business tenants are eligible for grants covering a maximum of 50 percent of the eligible improvements to commercial buildings.
- The grant awarded will be based upon the lowest contractor estimate submitted with the application.
- Applicants are eligible for a maximum base grant of up to \$20,000 for eligible improvements.
- Additional grant funding of up to \$4,000 is available for accessibility improvements which meet *Accessibility for Ontarians with Disabilities Act* ("AODA") design standards.
- Multi-unit properties are eligible for additional grant funding of up to \$4,000 per unit for each additional unit for which improvements are proposed to a maximum of \$20,000.
- Architectural, engineering, certified *Accessibility for Ontarians with Disabilities Act* ("AODA") specialist, and Building Code Identification Number (BCIN) registered designer fees may be covered to a maximum of \$2,000 per application as part of the base grant.
- The minimum base grant amount is \$2,500.

6.5 **Program Administration and Implementation**

The Economic Development and Culture Division will administer the Commercial Rehabilitation Grant Program. It will work with applicants to help ensure that the Program objectives are achieved. Grants will be made available annually, subject to budget availability, and completed applications will be considered on a "first-come-first-served" basis in order of submission date until such time as the Council-approved Program funding is fully allocated.

Decisions regarding financial commitments to the Commercial Rehabilitation Grant Program will be at the discretion of City Council in each budget year.

7 COMMERCIAL AND INDUSTRIAL PROPERTY IMPROVEMENT PROGRAM

This CIP enables the City to provide Commercial and Industrial Property Improvement Program grants to commercial and industrial property owners and tenants for exterior property and site improvements.

7.1 Program Eligibility

The Commercial and Industrial Property Improvement Program is offered to commercial and industrial property owners and business tenants of such properties within the City of Toronto.

7.2 Applicant Eligibility

Grant applicants must:

- a) be the owner or business tenant of a commercial or industrial property; and
 - i. a commercial property must be used for commercial or industrial purposes at street level; and
 - ii. a tenant must have the written permission of the owner to make any improvements to the property and receive grants;
- b) apply and be granted approval for any grants prior to commencing the proposed improvements;
- c) agree to the terms and conditions of the Commercial and Industrial Property Improvement Program.

Applicants who have not received the maximum grant may reapply for funding in subsequent years. However, the total of all Commercial and Industrial Property Improvement Program grants issued for any property over any 10 year period shall not exceed the maximum grant amounts outlined in Section 7.4.

All applications must conform to all applicable legislation and regulations, City by-laws, policies, and processes, and all improvements must be made pursuant to an approved building permit, and conform to the Ontario Building Code and applicable zoning requirements and development approvals.

7.3 Eligible Improvements

To qualify for funding, eligible improvements must be visible from a public street, public laneway or publicly-accessed private laneway.

Eligible improvements include the following exterior property and site improvements:

- Permanent improvements to patio or cafe spaces on private property that serve a business use (excluding furnishings)
- Café spaces on City property for which a valid permit has been issued
- Installation and improvement of ground-mounted signage
- Installation of lighting for on-site parking areas
- Permanent on-site boulevard landscaping features (excluding plant material)
- Fencing
- Accessibility improvements which meet *Accessibility for Ontarians with Disabilities Act* ("AODA") design standards
- Other property improvements as agreed to by the General Manager of Economic Development and Culture or their designate

7.4 **Grant Amount**

- Commercial and industrial property owners and business tenants are eligible for a grant covering a maximum of 50 percent of the cost of eligible façade and property improvements.
- The grant awarded will be based upon the lowest contractor estimate submitted with the application.
- Applicants are eligible for a maximum base grant of up to \$5,000 for eligible improvements.
- Additional grant funding of up to \$2,500 is available for exterior accessibility improvements which meet *Accessibility for Ontarians with Disabilities Act* ("AODA") design standards.
- Architectural, engineering, certified *Accessibility for Ontarians with Disabilities Act* ("AODA") specialist, and Building Code Identification Number (BCIN) registered designer fees may be covered to a maximum of \$1,000 per application as part of the base grant.
- The minimum base grant amount is \$1,000.

7.5 Program Administration and Implementation

The Economic Development and Culture Division will administer the Commercial Façade Program, the Commercial Rehabilitation Grant Program, and the Commercial and Industrial Property Improvement Program. It will work with applicants to help ensure that the objectives of the Programs are achieved. Grants will be made available annually, subject to budget availability, and completed applications will be considered on a "first-come-first-served" basis in order of submission date until such time as the Council-approved Program funding is fully allocated.

Decisions regarding financial commitments to the Programs will be at the discretion of City Council in each budget year.

8 APPLICATION TO PREVIOUSLY ADOPTED COMMUNITY IMPROVEMENT PLANS

This Community Improvement Plan replaces and supersedes policies in the previously adopted Community Improvement Plan pertaining to façade and property improvement grants.

City of Toronto By-law 1153-2018 is repealed once the City-Wide Community Improvement Plan for the Renovation and Rehabilitation of Commercial and Industrial Properties comes into full force and effect.