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#### STAFF REPORT ACTION REQUIRED

## Wallace- Junction Community Improvement Project (CIP) Area By-law

Date:	May 10, 2007
То:	Toronto and East York Community Council
From:	Director, Community Planning, Toronto and East York District
Ward:	Ward 18 - Davenport

#### SUMMARY

The purpose of this report is to:

- 1. Recommend the passing of a Community Improvement Project Area By-law for *Employment Areas* in the Wallace-Junction; and
- 2. Seek Council authorization for community consultation on a draft Community Improvement Plan for the area.

#### RECOMMENDATIONS

### The City Planning Division recommends that:

1. City Council adopt the draft Community Improvement Project Area By-law for the *Employment Areas* within the Wallace-Junction, shown on the map included in Attachment 1 to this report, and authorize the City Solicitor to make such stylistic and technical changes to the draft By-law as may be required;



- 2. The Community Improvement Plan be developed as an incentive to maintain and grow employment in the area;
- 3. The Community Improvement Plan be coordinated with the financial incentive program to be developed as part of the Long-Term Employment Land Strategy as adopted by the Economic Development Committee on May 9, 2007;
- 4. City Council direct City staff to prepare a Community Improvement Plan and schedule community consultation meetings together with the Ward Councillor when appropriate; and
- 5. City Council authorize and direct the appropriate City officials to give effect thereto.

#### **Financial Impact**

There are no financial implications resulting from the adoption of this report. Staff will report on the financial implications of the Community Improvement Plan when it is recommended to Council for approval.

#### BACKGROUND

Community Improvement Plans (CIP) enable municipalities to provide financial incentives to property owners and end users, to support improvement and rehabilitation of areas that have been defined as Community Improvement Project Areas. Without the adoption of a CIP, a municipality is generally prohibited from providing financial incentives to businesses, as this may be seen as providing unfair advantages over other municipalities.

The *Planning Act*, the *City of Toronto Act*, 2006 and the Official Plan support the designation of Community Improvement Project Areas and the preparation of Community Improvement Plans.

Section 28 of the *Planning Act* authorizes municipalities in Ontario to develop Community Improvement Plans. Such plans are intended for areas within municipalities that have been designated a Community Improvement Project Area because of "age, dilapidation, overcrowding, and/or the unsuitability of buildings due to any other environmental, social or economic development reason". The eligible costs for which municipalities can now provide grants and loans include: "environmental site assessment, environmental remediation; development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes, or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities".

The *City of Toronto Act, 2006* has replaced the applicable provisions of the *Municipal Act* that previously related to the use of Community Improvement Plans approved under Section 28 of the *Planning Act*. To encourage the cleanup of contaminated lands, under Section 333 of the *City of Toronto Act, 2006* the City may provide property tax assistance to off-set all or a portion of remediation costs. Additionally, the City may cancel or defer

the municipal portion of property taxes on eligible properties. The Province may match the municipal portion of the property tax with the education portion of the property tax through its Brownfields Financial Tax Incentive Program. Heritage grants are also contemplated under the *City of Toronto Act, 2006* which could apply to the preservation of industrial heritage buildings in a Community Improvement Project Area.

Toronto's Official Plan has established policies for the creation of new Community Improvement Project Areas, which are to be prepared to promote the maintenance, rehabilitation, revitalization and/or conservation of selected lands, buildings and communities facing challenges of transition, deficiency or deterioration or for any other environmental, social or community economic development reason. Community Improvement Project Areas may be identified for areas exhibiting one or more of the following:

- (a) physical decline in local building stock;
- (b) conflicts between incompatible land uses or activities;
- (c) deficient or deteriorated public infrastructure or amenity;
- (d) barriers to the improvement or redevelopment of vacant or underutilized land or buildings; or
- (e) declining social, environmental and/or economic conditions.

#### THE JUNCTION TRIANGLE

The proposed Junction Triangle Community Improvement Project Area incorporates sites in the area generally bounded by: Dupont Street to the north, the GO/CNR/CPR rail corridor to the west, Dundas Street West on the south, and Lansdowne Avenue to the east. Many of these sites are designated *Employment Areas* by the Official Plan.

*Employment Areas* are places of business and economic activity where a range of uses such as offices, manufacturing, distribution, research and development, media facilities, and ancillary retail uses are encouraged and permitted. Significant employment sites including those of Nestle Canada Inc, Scythes Inc, Tower Automotive, and Moloney Electronic can be found in the area. The *Employment Areas* are surrounded by other land uses such as residential *Neighbourhoods, Mixed Use Areas*, and *Parks*.

Development criteria for *Employment Areas* set out in the Official Plan are designed to contribute to the creation of competitive and highly functional areas by encouraging the clustering of economic activity with significant value added employment and assessment and requiring development to mitigate the effects of noise and vibration, and other environmental factors that could affect the amenity of neighbouring areas.

This area faces two particular challenges in terms of retaining and increasing employment uses: the environmental contamination of many sites in the area hinder development and redevelopment for employment purposes due to high clean up costs. As such, these employment areas have been under pressure to develop into residential uses which financially would allow for the necessary environmental remediation. Significant heritage industrial buildings in the area are in need of preservation which also presents a significant cost.

To the area's advantage, the Official Plan anticipates the creation of a future GO Transit and TTC interchange and/or a GO Rail Station in this general area as per the High Order Transit Corridor Plan.

Under the circumstances, the setting out of a Community Improvement Project Area and the preparation of a Community Improvement Plan are the appropriate municipal tools to assist in the revitalization of this area, while maintaining employment activities. The key consideration here is the creation of a Community Improvement Plan for the *Employment Areas* that is capable of effectively addressing the enhancement of employment and compatible land use along with environmental strategies to attract appropriate reinvestment and revitalization in the area.

#### **Next Steps and Implementation**

A Draft Community Improvement Plan for the proposed Community Improvement Project Area will be prepared by City staff. It will be brought forward for community consultation, and a public meeting under the *Planning Act*, before staff's recommendations to Council for approval. The report will include the identification of appropriate incentives for the area.

It is expected that the need for incentives will diminish as the viability of the area improves due to development and redevelopment of employment uses. Incentives are also more likely to have an immediate impact if they are time-limited. Staff will report with the recommended Community Improvement Plan on the time limits and phasing out of the incentives, as well as the roles and responsibilities for the administration of each incentive.

The draft Community Improvement Project Area By-law to delineate the boundaries of the proposed Junction Triangle CIP is attached to this report as Attachment No.1. The boundaries may be amended if required when the final Community Improvement Plan is submitted to Council.

#### Conclusion

The introduction of a Community Improvement Plan for the employment areas in the Junction Triangle will encourage the retention and enhancement of employment uses. The financial incentives resulting from the CIP will provide an impetus to promote investment in the area. Staff will report back on the proposed incentive package, the financial implications, and the implementation process when the recommended Community Improvement Plan is submitted to Council.

It is proposed that a Community Improvement Project Area By-law for the employment areas within the Junction Triangle be adopted, and that the Community Improvement Plan be brought back for consideration by Council following public consultation.

#### CONTACT

Carola Perez, Planner (Acting) Tel. No. (416) 397-4647 Fax No. (416) 392-1330 E-mail: cperez@toronto.ca

#### SIGNATURE

Gary Wright, Director Community Planning, Toronto and East York District

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#### ATTACHMENTS

Attachment 1: Draft Community Improvement Project Area By-law

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#### Attachment 1: Draft Community Improvement Project Area By-law

Enacted by Council:

#### CITY OF TORONTO

Bill No.

#### DRAFT BY-LAW No. \_\_\_\_ - 2007

To designate the sites with employment uses in the area generally bounded by: Dupont Street to the north, the GO/CNR/CPR rail corridor to the west, Dundas Street West on the south, and Lansdowne Avenue to the east, as a community improvement project area, to be called the Wallace-Junction Community Improvement Project Area.

WHEREAS subsection 28(2) of the *Planning Act* provides that the council of a municipality that has an Official Plan containing provisions relating to community improvement may by by-law designate the whole or any part of an area covered by such Official Plan as a community improvement project area;

AND WHEREAS Section 5.2.2 of the City of Toronto Official Plan allows for the designation of community improvement areas and the preparation of community improvement plans;

AND WHEREAS subsection 28(4) of the *Planning Act* provides that once a by-law designating an area as a community improvement project area has been passed, the council may provide for the preparation of a plan suitable for adoption as a community improvement plan for the community improvement project area;

The Council of the City of Toronto HEREBY ENACTS as follows:

1. The area shown outlined by heavy lines on the map attached to and forming part of this By-law is designated as a community improvement project area, to be called the Wallace-Junction Community Improvement Project Area within the meaning of Section 28 of the *Planning Act*.

ENACTED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2006.

Mayor

City Clerk

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**TORONTO** City Planning Wallace-Junction Community Improvement Project Area

Not to Scale Extracted 05/07/07 - EM