
WATERFRONT COMMUNITY IMPROVEMENT PLANS

PUBLIC CONSULTATION REPORT



April 23, 2008



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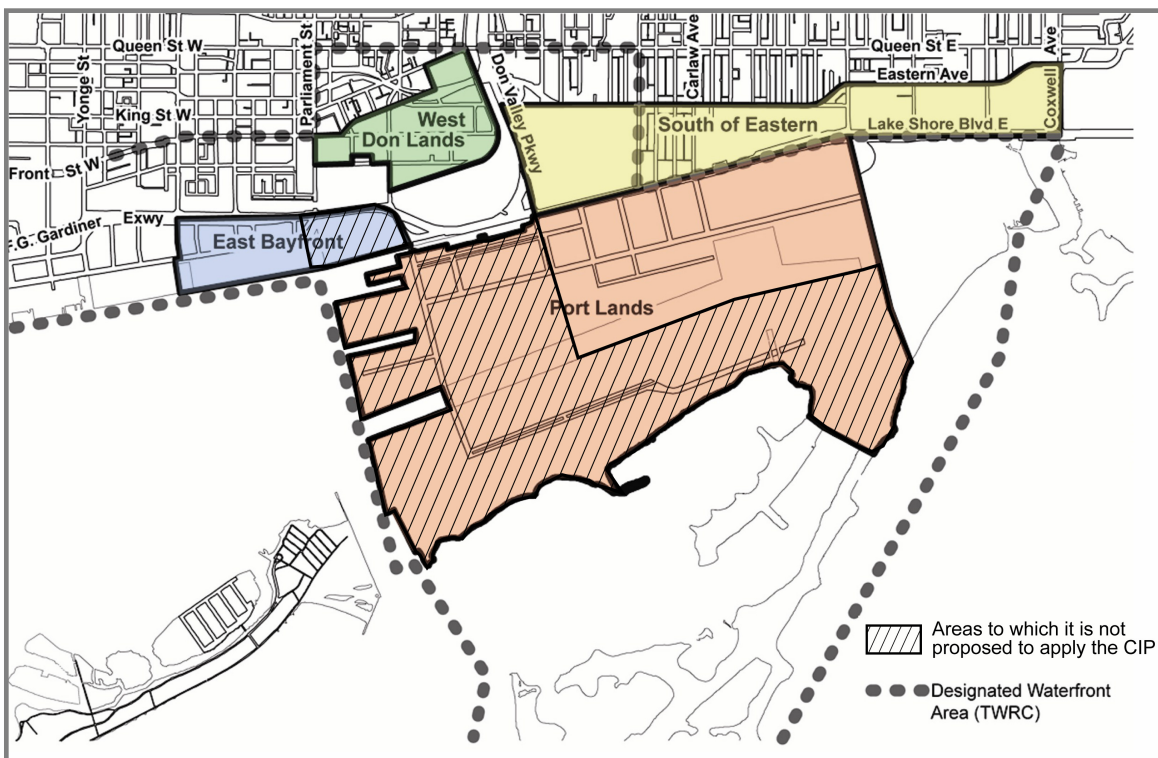
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1.0 INTRODUCTION

The City of Toronto is preparing Community Improvement Plans (CIPs) to support economic development in the Waterfront and the South of Eastern Employment District. The affected areas include the East Bayfront, West Don Lands, Port Lands and South of Eastern Employment District as shown below:

**Community Improvement Project Areas for
East Bayfront, West Don Lands, Port Lands and South of Eastern Employment District**



CIPs enable municipalities to provide financial incentives to support the improvement and rehabilitation of defined areas called “Community Improvement Project Areas.” Without the adoption of a CIP, according to Part 4 Section 28 of the *Planning Act*, the City of Toronto is prohibited from providing financial incentives to businesses (called ‘bonusing’) as this could lead to unfair competition with other jurisdictions. At present, the following areas of financial assistance are being examined:

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- **Grants for New Development**

These instruments are often referred to as Tax Increment Equivalent Grants (TIEGs). The grant will be given to a property owner who develops a new building, or expands an existing building, for the uses targeted for the Waterfront and the South of Eastern Employment District. The new development will increase the value of the property. The grant is based on the increase in the property taxes that result from the increased value. After the taxes have been paid each year, the City then gives back a percentage of the increment in the property tax for that year. The initial proposal is to provide grants that would add up to 60% of the total tax increment over a ten-year period. The first year's grant would be equivalent to 100% of the increment. This percentage would decrease by 9% each year to roughly 20% in the tenth year.

- **Assistance for 'Brownfield' Remediation**

Cleaning up contaminated industrial land could be an obstacle to new development in the Waterfront and the South of Eastern Employment District. To address this, the City could cancel some or all of the property taxes on a property to help the owner pay to clean it up, or 'remediate' it. If, the City cancels some or all of its taxes, the Province may also agree to cancel some of the school taxes on the property. Provincial assistance is however unlikely to be available in the East Bayfront and West Don Lands. This tax relief would be in addition to the grants for new development and would only be available to properties that are developed for the targeted employment uses after they are cleaned up. The initial proposal is to cancel any tax increases on the property for up to two years after the property is redeveloped following its remediation.

1.1 COMMUNICATION AND PUBLIC CONSULTATION

A communication and public consultation process (for the Waterfront CIPs) was initiated on Thursday February 14th, 2008 by Hardy Stevenson and Associates Limited (HSAL). The process involved landowner workshops, community meetings and a project web page used to inform affected landowners and the public about CIPs and to solicit input into the contents of the CIPs. Together, HSAL and the Project Team, identified six target questions to focus the communication and public consultation process. The questions were as follows:

- Q1. Should the City of Toronto be providing incentives?
- Q2. What areas should the incentives apply to?
- Q3. What uses should be eligible to receive incentives?
- Q4. How much of the property tax should be returned to the owner?
- Q5. How long should the owner be eligible to receive the incentive?
- Q6. Should other types of financial tools be considered?

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1.2 WATERFRONT CIP PROJECT TEAM

The project team for the Waterfront CIP consultation initiative was comprised of the following municipal staff:

- Gwen McIntosh: Manager, Community Planning, City Planning
- Peter Moore: Project Manager, Policy and Research, City Planning
- Jamie McEwan: Project Manager, Waterfront Secretariat
- Kathryn Thom: Senior Planner, Community Planning, City Planning
- Denise Graham: Senior Planner, Community Planning, City Planning
- Leontine Major: Senior Planner, Community Planning, City Planning
- Marian Prejel: Planner, Community Planning, City Planning
- Eric Arm: Senior Financial Analyst, Finance
- Rebecca Condon: Economic Development Officer, Economic Development

1.3 PUBLIC CONSULTATION REPORT

The Public Consultation Report presented provides a consolidated and comprehensive overview of the Waterfront CIP communication and public consultation process. All landowner and public input, into the targeted questions, has been thoroughly and accurately documented. Dominant responses to the targeted questions and emergent themes have also been identified for consideration by the Project Team. This Report will inform and complement a report to be prepared by municipal staff. Staff have targeted Thursday May 8th, 2008 for presentation of their report to the Planning and Growth Management Committee.

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2.0 PUBLIC CONSULTATION ACTIVITIES

The communication and public consultation process included two landowner workshops; two community meetings; and a project web page as described below:

2.1 LANDOWNER WORKSHOPS

Two workshops were hosted to solicit input from landowners affected by the CIPs. Landowners in the East Bayfront, West Don Lands and Port Lands CIP areas were invited to attend one workshop while landowners in the South of Eastern Employment District were invited to attend the other. Printed notices were mailed to landowners (via Canada Post) on Tuesday February 19th. Email notices were sent to all landowners on the project contact list the same day. The City of Toronto provided HSAL with both distribution lists (landowner mailing labels and email contacts). Notices were subsequently mailed and emailed to specific landowners identified by the Toronto Economic Development Corporation (TEDCO). Copies of both notices are included as [Appendices A and B](#).

The East Bayfront, West Don Lands and Port Lands landowner workshop was held on Tuesday February 26th, 2008. The workshop was a two-hour session held at the WATERFRONToronto office (20 Bay Street). As facilitator, Dave Hardy opened the workshop by welcoming the landowners, describing the purpose of the workshop and by introducing the Project Team. Peter Moore then made a 20 minute presentation on the Waterfront CIPs. The remainder of the workshop was used to solicit landowner input into the targeted questions. Dave Hardy concluded the workshop session by thanking the landowners for their input and notifying them of the community meetings. Copies of the workshop agenda and presentation are included as [Appendices C and D](#).

Five landowners attended the workshop. No landowner comment sheets were submitted to the facilitator at the end of the workshop session, but detailed meeting notes were taken by HSAL staff and are included as [Appendix E](#).

The South of Eastern Employment District landowner workshop was held on Thursday February 28th, 2008 at the same location. The workshop was a two-hour session with the same agenda as the initial landowner workshop. Two landowners attended the workshop as did representatives of WATERFRONToronto and a representative of Local Councillor Pam McConnell's office. Copies of the workshop agenda and presentation are included as [Appendices F and G](#). No landowner comment sheets were submitted to the facilitator at the end of the workshop session, but detailed meeting notes were taken by HSAL staff and are included as [Appendix H](#).

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2.2 COMMUNITY MEETINGS

Two community meetings were hosted to solicit input from public interest groups, landowners and interested members of the public. Also, all interested parties from the South of Eastern Planning Study were notified. One meeting focused on the East Bayfront, West Don Lands and Port Lands while a second meeting focused on the South of Eastern Employment District. Printed notices were mailed (via Canada Post) to landowners within 120m of the four CIP areas. Approximately 2,000 printed notices were distributed on Wednesday February 20th, 2008. The City of Toronto provided HSAL with the mailing labels and envelopes for the mail-out. A public notice was also posted on the project web page on Thursday February 21st, 2008 and published in Section A of the Toronto Star on Monday February 25th, 2008. The notice included a location plan outlining the proposed boundaries of the four CIP areas along with the dates, times and locations of the community meetings. A copy of the public notice is included as [Appendix I](#).

The community meeting focusing on the East Bayfront, West Don Lands and Port Lands was held on Thursday February 28th, 2008 at the Enoch Turner School House (106 Trinity Street). The community meeting was a two-hour session that began with Dave Hardy welcoming the public, describing the purpose of the meeting and introducing the Project Team. Tom Davidson of Local Councillor Pam McConnell's office was also introduced.

Upon arrival, members of the public were given a one-page backgrounder on Waterfront CIPs, a copy of the Waterfront CIP PowerPoint presentation, a comment sheet with the targeted questions imbedded within it and an agenda for the evening. In addition to the targeted questions, the comment sheet included short preambles designed to stimulate thought and to solicit greater input into the questions posed. Copies of the agenda, backgrounder and presentation slides are included as [Appendices J, K and L](#).

With the introductions complete, Peter Moore made a 20 minute presentation on the Waterfront CIPs before Dave Hardy asked the participants to break-out into small groups to discuss the targeted questions. Five groups were established and participants discussed the targeted questions for 45 minutes before they were asked to report their dominant responses back to the larger group. Dave Hardy facilitated the large group discussion for 30 minutes before thanking participants for their input. Before leaving, participants were asked to hand-in their comment sheets to the facilitator and were encouraged to contact the community planner (Kathryn Thom) should they require further information or wish to provide additional input.

In sum, 37 members of the public attended the meeting and 15 comment sheets were returned to the facilitator at the end of the evening. Detailed minutes were also taken by HSAL of all questions and comments made during the large group sessions. Copies of the minutes are included as [Appendix M](#).

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The South of Eastern Employment District community meeting was held on Wednesday March 5th, 2008 at the Ralph Thornton Community Centre (765 Queen Street East). The community meeting followed the same agenda as the initial meeting with one exception - Gwen McIntosh contributed to the presentation by establishing the planning context of the South of Eastern Employment District.

Local Councillor Paula Fletcher attended the meeting as did 33 members of the public. Before leaving, participants were asked to hand-in their comment sheets and were encouraged to contact the community planner (Denise Graham) should they require further information or wish to provide additional input. A total of 20 comment sheets were returned to the facilitator. Copies of the agenda, presentation slides and minutes are included as [Appendices N, O and P](#).

2.3 PROJECT WEB PAGE

A project web page was established to provide accurate information to those interested in learning more about the CIPs. The web page, which was linked to the City of Toronto web site, was updated on a regular basis with background documents and community meeting minutes. PowerPoint presentations made by Peter Moore at the community meetings were also posted on the web page. The web page (www.toronto.ca/planning/waterfront_cip.htm) “went live” at 5:30pm on Thursday February 21st, 2008. An email link (waterfrontcip@toronto.ca) was also established to enable members of the public to ask questions and to provide comments. Two enquiries and no public submissions had been made to the project web page as of Thursday April 17th, 2008.

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3.0 DOMINANT RESPONSES AND EMERGENT THEMES

Detailed minutes were recorded by HSAL at all public consultation sessions and forwarded to the Project Team for review and endorsement. The minutes have been posted on the project web page.

Comment sheets were distributed to landowners and members of the public at the beginning of the workshops and community meetings. HSAL reviewed all input provided on the comment sheets (along with the meeting minutes) to identify the following dominant responses and emergent themes:

3.1 DOMINANT RESPONSES

Q1. Should the City of Toronto provide incentives?

Landowners

- participants agreed the City should provide incentives to attract businesses to the waterfront
- shared belief that financial incentives should have been implemented long ago
- incentives could encourage screen-based industries to locate along the waterfront
- would assist screen-based businesses competing with US firms benefitting from lower tax rates
- incentives must be stronger than those offered by other municipalities
- incentives should be provided in a clear, simple and predictable manner

Waterfront Participants

- participants agreed the City should provide incentives
- brownfield remediation was identified as a high priority

South of Eastern Participants

- participants agreed the City should provide incentives
- brownfield remediation and “green” development were identified as high priorities

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Q2. What areas should the incentives apply to?

Landowners

- those with property within the hatched area (the area for which incentives would not be available) of the Port Lands would like their lands to be eligible for any incentives the City is contemplating now and in the future
- uncertain how the City-wide CIP would be implemented just outside the Waterfront CIP areas

Waterfront Participants

- participants expressed concern over CIP boundaries becoming segregation lines within communities
- concern was also expressed over the hatched areas of the Port Lands not being eligible for incentives
- participants noted incentives should apply to the entire TWRC Designated Waterfront Area
- one participant proposed Richmond Street or Adelaide Street as the northern boundary

South of Eastern Participants

- participants agreed incentives should apply to the entire South of Eastern Employment District
- incentives must be provided comprehensively in order to be considered fair
- one participant felt the boundary should be enlarged to maximize development opportunities
- two participants noted (on their comment sheets) the East Bayfront CIP area should not be eligible for incentives as the East Bayfront already has a geographic advantage over South of Eastern

Q3. What uses should be eligible to receive incentives?

Landowners

- any land use that will generate business and create employment should be eligible for incentives
- industrial uses such as concrete slab batching should be eligible within the Port Lands
- incentives must be complemented by municipal investments in servicing and infrastructure
- consider water dependent industries e.g., those requiring access to shipping and docks

Waterfront Participants

- participants favour development that is “clean” and “environmentally friendly”
- recreation, manufacturing, social enterprise and water-related businesses were specifically noted
- general consensus that heavy industry and retail uses should not be eligible
- some participants felt any use that generates business and creates jobs should be eligible
- participants warned opportunities may be lost if the list of uses is too restrictive
- cultural and institutional uses may not be appropriate given they are usually publicly owned
- too much emphasis is being placed on high-tech and film industries which are “risky” uses
- film and animation uses are not necessarily high employment generators

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South of Eastern Participants

- off-grid energy uses should be provided financial incentives
- participants agreed any use that is compatible with existing residential uses should be eligible
- generally supportive of environmentally responsible uses and opposed to heavy industrial uses
- broad range of uses should be eligible including tourism, office, media, financial and medical
- one participant noted incentives should be applied to townhomes and condominium developments
- consideration should be given to recreation, education and institutional uses
- others felt incentives should not be applied to parks or residential uses
- developments providing high-quality urban design features should be eligible for incentives
- uses associated with the provincial and federal governments should not be eligible for incentives

Q4. How much of the property tax should be returned to the owner?

Landowners

- no specifics were provided, but participants agreed any tax return would be beneficial
- consensus was any financial incentive would be beneficial to new or existing property owners
- multiple landowners indicated they felt the proposed incentives were fair
- financial incentives must be provided in a clear, simple and efficient manner
- there must be an obvious link between the CIPs and the development approvals process

Waterfront Participants

- no specific percentages were provided
- amount should be equivalent to what is required to make business competitive
- equivalent to what is being offered by regional competitors e.g., other municipalities
- one participant suggested the amounts be determined on a case-by-case basis
- another suggested the amount correspond to the number of jobs created

South of Eastern Participants

- no specifics were provided
- participants felt the amount should vary depending on the nature of the development
- check-lists and point systems were proposed with criteria that included economic impact, quality of urban design, and environmental sustainability
- incentives must be equivalent to (or greater than) other municipalities offering TIEGs

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Q5. How long should the owner be eligible to receive the incentive?

Landowners

- participants were supportive of longer rather than shorter lengths of time
- supportive of stronger incentives for longer periods during the early stages of the TIEGs

Waterfront Participants

- participants generally felt they were not qualified to answer this question
- one comment sheet noted five to ten years while another noted longer than ten years

South of Eastern Participants

- participants were divided evenly with half reporting no time requirements or restrictions should be included in the CIPs and half confirming the proposed ten-year time horizon is appropriate
- participants who support the ten-year time horizon generally thought the City should undertake periodic reviews of individual properties to assess whether or not the grant should continue to apply
- reviews were recommended every two to three years
- one participant noted the time horizon should exceed that being proposed by other municipalities
- another participant stated the incentives should cease once the land has been fully remediated

Q6. Should other types of financial tools be considered?

Landowners

- no other financial tools were identified, but participants did suggest the City consider fast-tracking the development approvals process for landowners wishing to develop within the CIP areas

Waterfront Participants

- participants agreed the City must invest in infrastructure to attract businesses to the waterfront
- non-financial incentives should be provided through business development programs
- the City should work with the provincial and federal governments to provide additional incentives

South of Eastern Participants

- participants agreed the City should provide whatever incentives it can to attract business
- municipality should reimburse businesses for their moving expenses after relocating
- loans for development, environmental remediation and equipment rental should be available
- sales tax rebates and labour tax credits were suggested
- façade improvement programs were noted
- fast-tracking of development and building permit applications
- City should provide infrastructure required for development and more public transportation

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3.2 EMERGENT THEMES

Multiple themes emerged from the consultation sessions. Each theme stems from the vision landowners and members of the public share for the CIP areas - development of thriving business areas attractive to both business and local residents. The following discussion highlights six of the themes that emerged from the consultation sessions and provides a brief assessment of each.

- **Broad and Unrestricted**

Landowner and public input suggests financial incentives should be applied to broader geographic areas than those presented in the CIPs. The CIPs should specify what land uses would not be eligible to receive financial incentives rather than identifying what land uses would be eligible.

- A city-wide CIP is being prepared to provide financial incentives to landowners across Toronto. The CIP is broad and will include all landowners along the outside edge of the Waterfront CIP areas. In order to attract business to the waterfront and to encourage landowners to redevelop waterfront property, the Waterfront CIPs must be different and more specific than the city-wide CIP reflecting the unique geography and context of the waterfront. To include an unrestricted list of eligible land uses, would detract from the targeted vision established for the waterfront in the various community and precinct plans approved to date.

- **Private vs. Public**

Landowner and public input suggests financial incentives should be applied to private rather than public lands and development projects. Financial incentives should be applied to employment uses rather than institutional uses that tend to be owned by government agencies.

- Restricting financial incentives to private landowners may not achieve the end results envisioned by the CIPs given large tracts of land within the Waterfront CIP areas are owned by various levels of government. To exclude publicly-owned lands may suspend redevelopment rather than encourage it.

- Landowners and members of the public asked for clarification on the land acquisition and disposal issue and the use of CIPs.

- **Regional Competitiveness**

Landowners and public input suggests the financial incentives must be equivalent to or greater than the incentives being offered by other municipalities throughout the GTA. Financial incentives must exceed those being provided elsewhere within Toronto and greater than those being provided in neighbouring municipalities such as Mississauga.

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➤ Incentives by definition are motivators - landowners must be motivated to develop property within the CIP areas rather than allowing property to remain dormant or developing property elsewhere in the City or broader GTA. Business no longer operates in a local context (e.g., the City of Toronto), but in a broader regional context (e.g., GTA) which means the waterfront not only competes with other parts of the City of Toronto to attract business, but with developing areas of the GTA and municipalities further afield (e.g., outside the Province of Ontario). Financial incentives must therefore be equivalent to those being offered outside the waterfront to level the playing field or even greater than those being offered elsewhere to motivate local landowners to redevelop and potential businesses to relocate to the Waterfront CIP areas.

- Tailor-Made Approach

Public input suggests land uses should be evaluated on a case-by-case basis to determine whether or not they should qualify for financial incentives. Individual uses should be evaluated against a score-card or check-list at regular intervals to ensure the financial incentives being applied are most appropriate. Financial incentives and time horizons should vary depending on the use, stage of development and impact (social and economic) they have on the community.

➤ Implementing a tailor-made approach would be an extremely slow and costly exercise for the City to undertake. Landowners expressed support for clear, direct and predictable programs that would make developing in the Waterfront CIP areas more attractive than developing land elsewhere in Toronto or the GTA. Implementing check-lists and periodic evaluations would create uncertainty and ambiguity for landowners thereby increasing their level of risk and decreasing the attractiveness of the waterfront.

- Qualitative vs. Quantitative

Public input suggests a qualitative approach should be taken by the City to determine whether a land use should continue to receive financial incentives. Qualitative measures such as social responsibility and community cohesiveness should be used to determine whether or not a land use should receive financial incentives rather than a quantitative measure such as property value.

➤ While consideration should be given to qualitative measures, it would be impractical to develop an evaluation system based solely on them. Qualitative measures would be inappropriate as they are subjective and difficult to reach consensus on. Landowners favour incentive programs that are efficient and leave no room for uncertainty. Landowners will develop property in areas where the financial incentives are clearly understood from the outset before they develop property in areas where uncertainty exists.

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- Environmental Sustainability

Public input suggests financial incentives should be tied to environmental considerations. Environmental factors such as the use of alternative energy sources, integration of sustainable design principles and net environmental impact should be used to determine whether a land use should receive financial incentives. A sliding scale should be established to ensure more environmentally sustainable land uses receive more financial incentives than less environmentally sustainable land uses.

- Consideration should always be given to the environment when contemplating programs designed to encourage land development. However, implementing a sliding-scale evaluation system would be onerous for the City to administer and would introduce an element of uncertainty to the development process. This uncertainty would be frowned upon by landowners interested in developing property within the CIP areas. A simple and clear financial incentive program is required to attract businesses to the waterfront.

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4.0 EVALUATION

Landowners and members of the public were given an opportunity to participate in the Waterfront CIP consultation process. Those that chose to participate, achieved a general understanding of what CIPs are and how they could be applied to the four waterfront areas.

All comments and questions provided by the participants were recorded in the following manner: a) by HSAL in the meeting minutes; b) on comment sheets submitted by participants at the landowner workshops and community meetings; and c) through an email link on the project web page. The following provides a summary of the specific issues and areas of concern raised through the public consultation process.

- Level of Complexity

A significant portion of the public considered the topic of financial incentives to be highly complex and difficult to understand. Several participants confided they were not familiar with the terminology or acronyms referred to in the presentation made by municipal staff. Recognizing this, the facilitator provided the audience with an opportunity to ask questions of clarification after the presentations were made (before they broke-out into smaller discussion groups). Municipal staff from the City's Finance and Economic Development Departments were also seated at discussion tables to answer questions and to clarify concepts.

- Lack of Preparedness

Participants reported an inability to answer Target Questions 4, 5 and 6 due to a lack familiarity with the financial incentives being proposed. Participants did not feel they were equipped to recommend specific percentages or time horizons having just been introduced to the specific tools and broader concepts. Recognizing this, the facilitator encouraged participants to provide general feedback (e.g., greater than, less than, longer than or shorter than) rather than specific recommendations. Preambles were included in the comment sheets and a background discussion was distributed to participants upon arrival.

Overall, the community meetings were well attended and participants were engaged in the presentations and small group discussions. Considerable feedback was provided through the large group discussions and the comment sheets returned at the end of the sessions. In terms of value, the consultation process provided municipal staff an opportunity to inform/educate landowners and members of the public about CIPs and the proposed nature (goals, objectives, content) of the Waterfront CIPs.