



REFERRAL OF MEMBER MOTION BY CITY COUNCIL

Development Charges in Priority Neighborhoods

Date:	March 10, 2011
To:	Executive Committee
From:	City Council
Wards:	Ward:1, 2, 3, 4, 7, 8, 9, 10, 11, 15, 26, 31, 35, 36, 37, 38, 39, 40, 42, 43, 44

City Council Decision

City Council on March 8 and 9, 2011, referred Motion MM5.6 to the Executive Committee.

Recommendations

Councillor Frances Nunziata, seconded by Councillor Michael Thompson recommends that:

1. City Council direct the Deputy City Manager and Chief Financial Officer, in consultation with the General Manager of Economic Development and Culture and the Chief Planner and Executive Director of City Planning, to consider and report on, as part of the next Development Charge By-law update, mechanisms to encourage development in the thirteen priority neighbourhoods, including the potential waiver of development charges.
2. City Council direct that, in preparing the above report, consultation be done with industry stakeholders to find out what the City of Toronto can do to encourage development within the City's Thirteen Priority Neighborhoods.

Summary

The City of Toronto has set in place various tools and incentives to encourage investment and development within the City. While the City of Toronto already has the lowest development charge rates in the Greater Toronto Area, a variety of incentives have been provided to encourage development within the City, an example being the exemption of development charges for industrial uses. Despite these tools, investment and development in certain areas of the City, specifically within the City's Priority Neighborhoods, seems to be lagging behind; in some areas, it appears to be at a standstill.

Since the City of Toronto designated the Thirteen Priority Neighborhoods, the City has invested much time and money into seeing these neighborhoods strengthened. While strengthening the City's Priority Neighborhoods through efforts to enhance community infrastructure and social infrastructure is vital in seeing these communities becoming vibrant again, revitalization is also key. With many of these neighborhoods having their main streets lined with vacant storefronts, empty apartments and/or dilapidated buildings, there is little appeal for people to shop at the few stores on the commercial strips and even less appeal for new businesses to locate there. Less business in the community results in fewer jobs in the community, reinforcing the disparity that already exists in the City's Priority Neighborhoods between population and the availability of local employment.

While the City of Toronto has, as noted earlier, taken measures to address and improve the socioeconomic issues in Priority Neighborhoods, the City has not taken measures to encourage the revitalization of these neighborhoods with respect to redevelopment. Unfortunately, it has become clear that it will not occur on its own; the City must take action to entice developers into redeveloping these areas.

By waiving development charges in the City's Priority Neighborhoods for a fixed period of time, the City would aid in the revitalization of the Priority Neighborhoods, with the anticipated result of increased interest in development opportunities in those neighborhoods.

(Submitted to City Council on March 8, 2011 as MM5.6)