

October 28, 2009

New Sign Regulation and Revenue Strategy for the City of Toronto

Background

Since amalgamation, the City of Toronto has continued to administer the sign bylaws of the former municipalities, which vary in approach, standards for signs and regulation of permanent signs on private property. Also the current bylaws are not consistent with each other nor are they reflective of Toronto's new Official Plan. Furthermore, new sign fabrication methods and new sign technologies have emerged which were not anticipated at the time of the passage of the current sign bylaws.

The purpose of the new Sign Bylaw project is to prepare a single, City-wide sign bylaw for permanent signs. Input was sought and received from stakeholder groups and the public at large through consultation meetings at various stages in the process of building a new bylaw.

Consultations were held with staff from various City divisions as well as elected officials and industry stakeholders including numerous associations with an interest in signs. Stakeholder consultations were conducted in August and December 2008, and March, April and September 2009. Public consultations took place in September 2008 and January 2009. Finally, in January 2009 staff from the sign bylaw project met with representatives of the architectural and design community.

Common messages in terms of feedback were: current sign bylaws are not adequate for dealing with the current realities of sign issues in Toronto, standards are inconsistent, bylaw provisions are unclear, and sign regulations have been eclipsed by new sign technologies that had not been anticipated. The development of a new Sign Bylaw is the City's opportunity to address these issues. The following provides an overview of the sign bylaw, third-party sign tax, the new sign unit and the sign variance process.

New Sign Bylaw:

- Is a single, City-wide bylaw developed to regulate first-party and third-party signs in Toronto (A first-party sign generally advertises the business or product available on the property. A third-party sign generally displays a message about something not available where the sign is located).
- Recommends that a new sign unit in Toronto Building be formed to administer and enforce the new Sign Bylaw and the Third-Party Sign Tax.
- Is recommended to come into effect April 6, 2010.
- Recommends that two permits be issued (sign permit and a building permit where required) rather than just one, as is done now with the current system.
- Details special sign districts that have been created to maintain the character of the area and otherwise ensure signs are erected or not erected in these areas.
- Contains environmental considerations that include the use of renewable energy for third-party signs, regulation of illumination levels, a requirement that first-party signs be turned off

during smog alerts, ensure consistency with the City's Bird-Friendly Guidelines and adhere to the City's tree protection bylaw.

- Proposes a minimum 100 metre *radius* separation from any other third-party advertising sign (approximately the average of other Canadian cities and the pre-amalgamated cities of Toronto).

Third Party Sign Tax (TPST)

- TPST would be based on geographic location, size, and type of display technology for third party signs.
- The revenues from the TPST would fund enhanced enforcement of the sign bylaw and potentially support city beautification and arts and culture initiatives.
- The new TPST would be introduced at five graduated rates based on sign classes (refer to page 35 of report).
- The TPST rates are recommended as follows:

	Class I Advertising Device (per Sign)	Class II Advertising Device (per Sign)	Class III Advertising Device (per Sign)	Class IV Advertising Device (per Sign)	Class V Advertising Device (per Sign)
Pro-rated per Sign – 2010	\$575	\$1,425	\$2,475	\$5,500	\$12,000
Rate per Sign – 2011 onward	\$1,150	\$2,850	\$4,950	\$11,000	\$24,000

- The TPST rate for 2010 would become effective July 1, 2010 and payable by September 2010.
- In subsequent years, the TSPT would be billed on March 31 and be payable by July 1.
- The TPST rates would be indexed annually in accordance with the overall property tax increase from the prior year.
- There are approximately 2000 lawfully-erected third-party sign structures in Toronto, which equates approximately to revenue of \$5,200,000 in 2010 and \$10,400,000 in 2011.
- Revenue would be collected by the new sign unit under the authority of the Chief Building Official.

New Sign Unit

- It is recommended that a new sign unit be created to administer and enforce the provisions of the new Sign Bylaw.
- It is recommended the unit begin in January 2010.
- This unit would:
 - Intake and review sign permit applications and building permit applications, and issue permits;
 - process, review, and report on sign variance applications;
 - maintain a current inventory of third-party signs;
 - administer, collect and enforce the TPST;
 - verify the inventories required to be provided by sign operators; and
 - provide pro-active and ongoing enforcement to achieve compliance with sign regulations.
- From a centralized location, the proposed sign unit would provide consistency in the interpretation and application of the new Sign Bylaw.
- Funding for the sign unit would come from sign permit fees, variance application revenues and the TPST.

Sign Variance

- Council has the ability to design a scheme for granting variances or amendments to the sign bylaw.
- Alternative models (options) to govern the process for obtaining sign bylaw variances for third-party signs is outlined in Table 1 on pages 16-18 of the report.
- It is recommended that a separate Sign Variance Committee of five citizen members be established with the mandate to hear appeals of staff decisions on variance applications for first-party signs and be the decision maker on variance applications for third-party signs.
- Applicants seeking permission to erect prohibited signs or introduce design guidelines for signage are seeking to change a fundamental aspect of the sign bylaw and its intent should be seeking an amendment to the bylaw.
- It is recommended that applications for amendments to the bylaw be considered by Council through the Planning and Growth Management Committee. This report recommends the removal of the delegated power currently held by Community Councils to consider and make final decisions with respect to applications for sign bylaw amendments.