

**Downtown Guelph  
Community Improvement Plan**

**January 2009**

# Downtown Guelph Community Improvement Plan

## **1.0 INTRODUCTION**

- 1.1 Approach
- 1.2 Challenges of Redevelopment in the Downtown
- 1.3 Need for Incentives

## **2.0. PURPOSE, PROJECT AREA, AUTHORITY AND JUSTIFICATION**

- 2.1 Purpose
- 2.2 Community Improvement Project Area
- 2.3 Legislative Authority for Incentives
- 2.4 Existing Downtown Economy
- 2.5 Other Current Incentive Programs

## **3.0 GUIDING PLANNING POLICIES**

- 3.1 Provincial Policy Statement
- 3.2 Growth Plan for the Greater Golden Horseshoe
- 3.3 Local Growth Management Strategy
- 3.4 Guelph Official Plan
- 3.5 Downtown Action Plan
- 3.6 Guelph Strategic Plan
- 3.7 Downtown Secondary Plan

## **4.0 DOWNTOWN GUELPH COMMUNITY IMPROVEMENT PLAN**

- 4.1 Goals and Objectives
- 4.2 Policies

## **5.0 COMMUNITY IMPROVEMENT INCENTIVE PROGRAMS**

## **6.0 IMPLEMENTATION**

- 6.1 Plan Monitoring and Amendments

## **7.0 CONSULTATION**

- 7.1 Government of Ontario
- 7.2 Public Open House

# 1.0 INTRODUCTION

A Community Improvement Plan (CIP) is a tool that is intended to achieve positive change to the existing physical landscape, either through municipally driven or incentive-based programs. CIP's are used widely across Ontario, particularly in downtowns, to overcome investment hurdles inherent in city centre redevelopment. Guelph's Downtown CIP provides Council with broader authority under Part IV of the Planning Act to encourage reinvestment in the Downtown and allow for financial incentives to be developed and made available to Downtown properties for purposes that conform to the goals, objectives, and policies of the CIP.

## 1.1 Approach

In order to ensure a coordinated approach to Downtown revitalization, the Downtown CIP will be developed in two phases.

### Phase 1

The first phase of the CIP includes the approval of the overall framework. This provides the City with the ability to become more directly involved in the redevelopment of land within the Downtown for the purpose of community improvement. Work undertaken by the City as part of Phase 1 may include:

- acquisition or preparation of property;
- construction, rehabilitation or improvement of buildings on land held by the City; and
- the sale, lease or disposal of land and buildings held by the City.

### Phase 2

The second phase will be undertaken in conjunction with the Downtown Secondary Plan and will involve the development of financial incentive programs that will make grants or loans available to Downtown properties. Program policies will set out eligible costs, eligibility requirements and a process for applying for program incentives.

The programs developed as part of Phase 2 of the CIP will be incorporated through an amendment to this Plan and may include grants or loans to:

- improve or restore building facades;
- improve streetscape features such as signs or awnings;
- undertake feasibility studies; and/or
- convert upper storey space for residential use.

## 1.2 Challenges of Redevelopment in the Downtown

The City of Guelph has long supported the use of public funds to position the Downtown as a desirable place to do business, learn, live and pursue cultural interests. This is evidenced by the many programs and major capital projects initiated by past City Councils including investment in major administrative, infrastructure, parking, sports and cultural facilities in the Downtown.

It is the purpose of this Plan to attract more public and private sector investment to help ensure the long-term economic sustainability of Downtown Guelph. The lead role of City Council in expediting Downtown reinvestment is necessary to attract private development, particularly with respect to housing.

The Growth Plan for the Greater Golden Horseshoe (Growth Plan) requires a significant portion of new residential and employment related growth to be directed to the Downtown, which is identified as an Urban Growth Centre in the Growth Plan. Although approximately 1,000 new dwelling units have been constructed each year in Guelph over the past ten years few have been built in the Downtown area.

In addition to housing, other land uses have also chosen to locate outside of the Downtown. Factors such as higher land and demolition costs, the potential for contamination and largely untested markets all increase expenses and act to discourage investment in the Downtown. To date, the private sector has preferred new development on greenfield sites as it is cheaper and projected costs are more certain, resulting in easier financing.

### **1.3 Need for Incentives**

The challenge of directing growth into existing neighbourhoods, promoting the reuse of vacant buildings, and encouraging intensification on underutilized properties requires a more participatory role for municipal government. Specifically, there is a need to actively assist the private sector in order to encourage redevelopment in the Downtown.

There is no one single planning tool, municipal investment project or Council decision that, by itself, will result in the realization of the City of Guelph's objectives for the Downtown. It will be a combination of positive activities that will tip the balance to favour an attractive environment for redevelopment. This can be done by both strengthening the appeal of the Downtown market as well as mitigating the extra costs incurred for Downtown development.

Downtown redevelopment costs usually exceed those of similar projects on suburban sites. Municipal assistance in offsetting these higher costs may involve waiving or rebating fees, sponsoring feasibility studies as well as offering incentives for targeted land uses.

From a municipal financial perspective, development in the downtown is cost effective because services such as transit, emergency and other services are already operational. Hard services such as water and sanitary services are also in place, although updating may be required.

## **2.0 PURPOSE, PROJECT AREA, AUTHORITY AND JUSTIFICATION**

### **2.1 Purpose**

The purpose of this CIP is to maintain and enhance the Downtown as a focal area for public and private investment. The Plan provides City Council with broader authority to encourage reinvestment in the Downtown and allows for financial incentives to be developed.

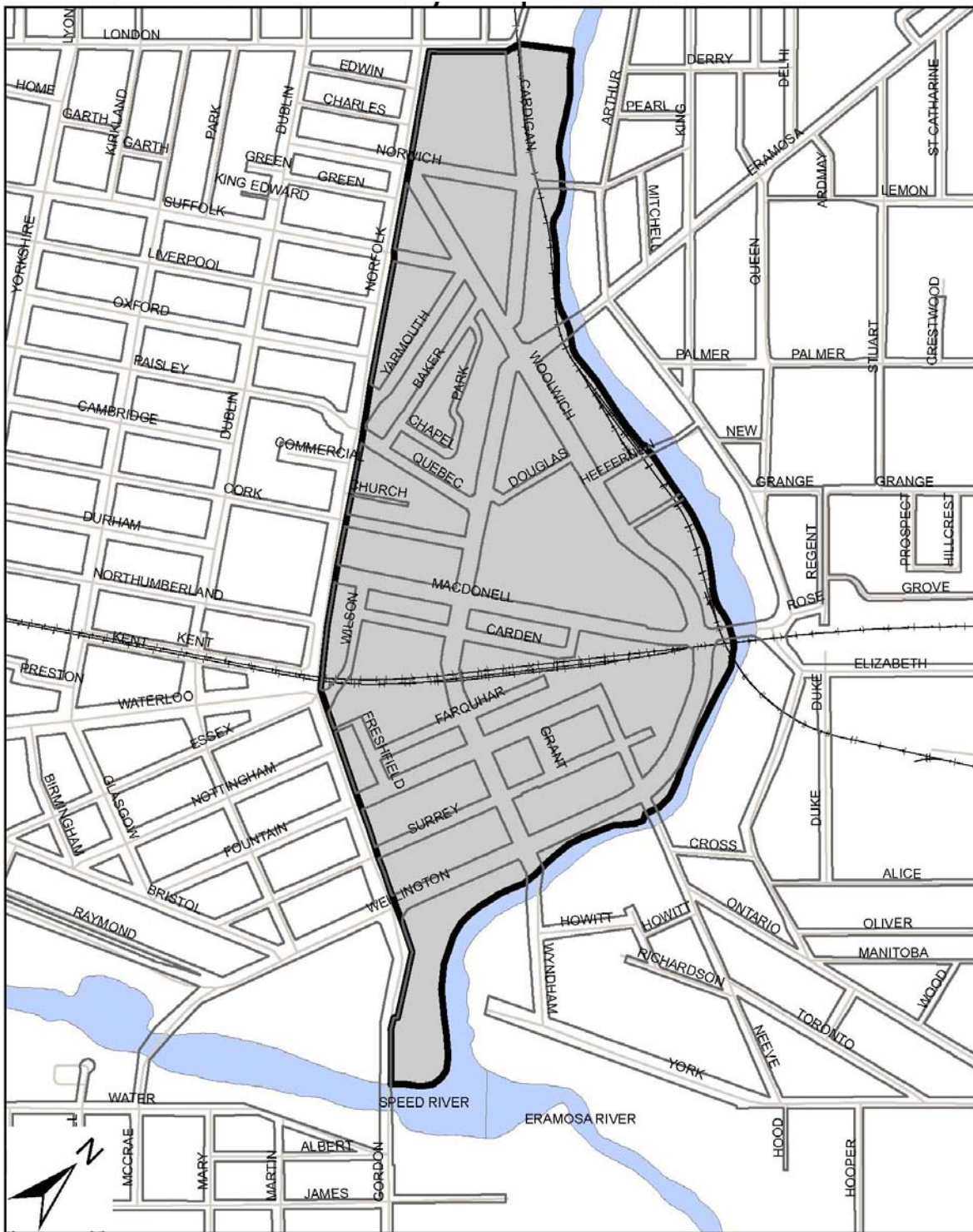
### **2.2 Community Improvement Project Area**

CIPs start by setting the boundary of the area that is being targeted for improvement. This is called the Community Improvement Project Area and it specifies where the CIP policies and programs apply.

The Official Plan, Schedule 5 identifies the Central Business District (CBD) as a community improvement priority area and Official Plan Schedule 6 shows the boundary in greater detail. Subsection 28(4) of the Planning Act requires the City of Guelph to designate the Community Improvement Project Area prior to approving a CIP. Figure 1 to this Plan shows the extent of the Community Improvement Project Area and reflects the CBD boundary in the current Official Plan.

On January 12, 2009 Council adopted By-law (2009)-18704 designating the Downtown, as shown on Figure 1, as a Community Improvement Project Area pursuant to Section 28(2) of the Planning Act.

Figure 1: Downtown Guelph Community Improvement Project Area



## 2.3 Legislative Authority for Incentives

Under Section 28 of the Planning Act, “Community Improvement” means:

*“the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities, or spaces, as may be appropriate or necessary”*

For the purpose of carrying out a Community Improvement Plan that has come into effect, a municipality may engage in the following activities within the community improvement project area:

- a) *acquire, hold, clear, grade or otherwise prepare land for community improvement (28(3));*
- b) *construct, repair, rehabilitate or improve buildings on land acquired or held by it in the community improvement project area in conformity with the community improvement plan (28(6));*
- c) *sell, lease, or otherwise dispose of any land and buildings acquired or held by it in the community improvement project area to any person or government authority for use in conformity with the community improvement plan (28(6)); and,*
- d) *make grants or loans, in conformity with the community improvement plan, to registered owners, assessed owners and tenants of lands and buildings within the community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the eligible costs of the community improvement plan (28(7)).*

Although Section 106(1) of the Municipal Act, 2001 prohibits “bonusing” of any manufacturing business or other industrial or commercial enterprise, an exception is made in Section 106(3) of the Municipal Act, 2001 for municipalities exercising powers under Section 28(6) or (7) of the Planning Act. Section 28 of the Planning Act allows municipalities with provisions in their Official Plans relating to community improvement to designate by way of a by-law a “community improvement project area”. Where a by-law designating an area as a Community Improvement Project Area has been passed in accordance with subsection 28(2) of the Planning Act, Council may prepare and adopt a Community Improvement Plan for that area, which may be approved and come into effect in accordance with sections 28(5) and 28(5.1) of the Planning Act.

## 2.4 Existing Downtown Economy

The Downtown has been the economic and cultural centre of the Guelph since its inception in the 1800s. It has developed with a broad range of land uses, which have been built in a compact urban form, especially when compared to other areas within the community. This unique character is reflected in the Official Plan and

Zoning By-law, which contains specific polices and regulations that apply only within Downtown.

Despite allowing a variety of land uses, the share of taxable assessment generated by Downtown has continued to shrink steadily since 2001 and in 2007 contributed \$5.8M or 1.55% of the City's total tax base. The total assessment of the Downtown covered by the Downtown Guelph Business Association, has shrunk in this period from \$93.3M to \$88.2M

Between 2001 and 2006, while the general population grew by 8.2%, the residential population base Downtown has declined by over 6% and the number of dwellings by almost 5%. In the ten year period between 1998 and 2007, only 377 building permits were issued for the downtown compared with almost 20,000 in the rest of the city.

## **2.5 Other Current Incentive Programs**

The City of Guelph currently has two incentive programs in place, which apply in the Downtown.

The Brownfield Redevelopment Community Improvement Plan contains financial incentive programs to stimulate private sector investment in the redevelopment of contaminated properties which are designed to partially offset the cost of site assessment and remediation.

The City of Guelph has also established a Heritage Redevelopment Reserve Fund that is intended to reduce costs associated with the retention of heritage features during redevelopment projects by providing incentives to encourage the preservation, restoration or re-use of historic and architecturally significant buildings.

The Downtown CIP complements and works with the existing incentive programs to encourage redevelopment within the Downtown. While the various incentive programs available to Downtown properties may be applied concurrently, the total of grants and loans made in respect of particular lands and buildings, including any form of tax assistance, shall not exceed the sum of eligible costs set out in the applicable CIP. Furthermore, financial incentives for any particular eligible cost cannot be provided though two different incentive programs (e.g. a grant for façade improvement must be provide through either the Downtown CIP or the Heritage Redevelopment Reserve – not both).

### **3.0 GUIDING PLANNING POLICIES**

#### **3.1 Provincial Policy Statement**

The 2005 Provincial Policy Statement (PPS) provides policy direction on matters of provincial interest related to land use planning and development. The proposed CIP is consistent with the applicable provisions of the PPS, and implements the following polices:

- 1.1.3.1 Settlement areas shall be the focus of growth and their vitality and regeneration shall be promoted.*
- 1.1.3.4 Appropriate development standards should be promoted which facilitate intensification, redevelopment and compact form, while maintaining appropriate levels of public health and safety.*
- 1.4.3 c) Planning authorities shall provide for an appropriate range of housing types and densities to meet projected requirements of current and future residents of the regional market area by directing the development of new housing towards locations where appropriate levels of infrastructure and public service facilities are or will be available to support current and projected need.*
- 1.6.2 The use of existing infrastructure and public service facilities should be optimized, wherever feasible, before consideration is given to developing new infrastructure and public service facilities.*
- 1.7.1 b) Long-term economic prosperity should be supported by maintaining and, where possible, enhancing the vitality and viability of downtowns and main streets.*
- 1.8.1 c) Planning authorities shall support energy efficiency and improved air quality through land use and development patterns which focus major employment, commercial and other travel-intensive land uses on sites which are well served by public transit where this exists or is to be developed, or designing these to facilitate the establishment of public transit in the future.*

#### **3.2 Growth Plan for the Greater Golden Horseshoe (Growth Plan)**

The provincial Growth Plan designates Downtown Guelph as an 'Urban Growth Centre', which must be planned:

- as a focal area for investment in institutional and region wide public services, as well as commercial, recreational, cultural and entertainment uses;
- to accommodate and support major infrastructure;
- to serve as a high density major employment centre that will attract provincially, nationally or internationally significant employment uses; and
- to accommodate a significant share of population and employment growth

The Growth Plan also requires that Guelph's Urban Growth Centre be planned to achieve a minimum density of 150 residents and jobs (combined) by the year 2031. The CIP will also assist in achieving these targets.

### **3.3 Local Growth Management Strategy**

In response to the Growth Plan, key recommendations of the City's Local Growth Management Strategy were adopted by Council on June 23, 2008, which the envision Guelph's population to be 175,000 by the year 2031. The Strategy recognizes the potential of Downtown to accommodate a significant share of population and employment growth through intensification and recommends that residential intensification opportunities be identified.

The preparation of a Local Growth Management Strategy was completed through extensive public participation.

### **3.4 Guelph Official Plan (November 2006 Consolidation)**

The Official Plan places high priority on the enhancement of the Downtown. The following is a major goal of the Official Plan:

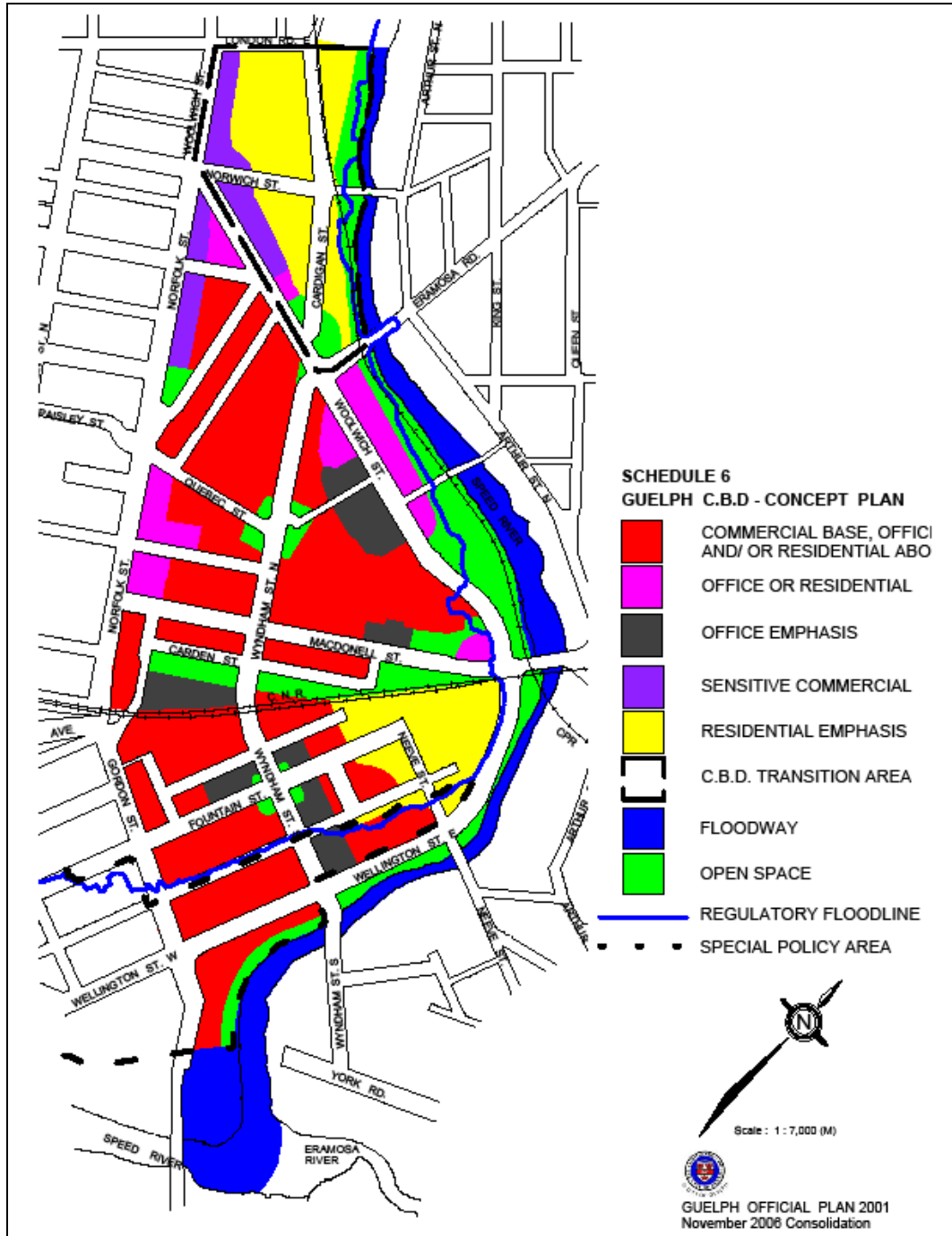
- 2.3.15. Maintain and strengthen the role of the Central Business District (downtown) as a major focal area for investment, employment and residential uses. The Central Business District will be a vibrant multiple function district and community focus of the city.*

Section 7.3 of the Official Plan sets out a vision statement, specific goals, and land use policies that apply within the Central Business District. Official Plan Schedule 6, shown in Figure 2, sets out a Central Business District Concept Plan that corresponds to policies in Section 7.3.3. The Plan also sets out a number of strategies for achieving these goals and policy directives, including the following examples:

- 7.3.4 b) Encouraging and co-operating with the private sector in a full and long term program supporting downtown revitalization to ensure a favourable climate for commercial and residential activity in the core.*
- 7.3.4 f) Considering municipal lands for development, generally by way of lease arrangements.*
- 7.3.6 c) Encouraging the rehabilitation and renovation of the upper stories of existing buildings and their conversion to residential use.*
- 7.3.10 b) For the purpose of encouraging residential development in the downtown, the City may consider incentives, such as providing financial assistance as part of a community improvement plan or other program.*
- 7.3.18 The City will encourage the conversion or redevelopment of existing obsolete industrial buildings and sites.*

The Official Plan contains policy direction related to preparation and approval of CIPs. Section 4.7.3 a) identifies the Central Business District as a priority area for designation as a Community Improvement Project Area and preparation of a CIP. In the implementation of any CIP, Section 4.7.6 of the Official Plan states that the City of Guelph will make full use of the authority granted in the Planning Act and other Provincial and Federal legislation to prepare and carry out a Community Improvement Plan.

**Figure 2: Official Plan Schedule 6: Guelph CBD Concept Plan**



### **3.5 Downtown Action Plan**

The Downtown Action Plan was approved by City Council in April 2007 as a framework for developing implementation programs for investing in Guelph's Downtown. The plan specifically called for the creation of a Downtown CIP to establish incentive programs to encourage private sector investment.

The Plan also recommended the development of business cases for specific pilot projects that would attract private sector investment through the promotion of incentive programs.

### **3.6 Guelph Strategic Plan**

In place since 2007, the Strategic Plan is a guiding document that provides a long term vision under which all City of Guelph initiatives are aligned. The Strategic Plan places high importance on the health and vitality of the Downtown.

This CIP implements Strategic Plan goals for environmental sustainability by enabling a fundamental shift towards a denser and more compact urban form partly through reinvestment in the Downtown. This in turn allows for more viable pedestrian oriented land uses and a shift away from vehicle reliance.

Specifically, the CIP will contribute to meeting the following strategic goals and objectives:

*Goal 1: An attractive, well-functioning and sustainable city*

*1.3 A Local Growth Management Strategy that effectively guides where and how future growth will take place*

*1.5 The downtown as a place of community focus and destination of national interest*

*Goal 3: A diverse and prosperous local economy*

*3.2 One of Ontario's top five and Canada's top ten places to invest.*

*3.6 The city as a tourist destination of choice.*

### **3.7 Downtown Secondary Plan**

The Downtown Secondary Plan has been initiated in response to the Growth Plan and will provide policy direction for both public and private sector projects, initiatives and actions that will form the basis for the evolution of the Urban Growth Centre over the next 25 years.

The Downtown Secondary Plan preparation is currently in process and once approved, will articulate the vision and guiding principles for the Downtown area. The Secondary Plan will provide land use designations and policies that address permitted uses, density, urban design, infrastructure requirements and directions for implementing intensification. Financial incentive programs developed as part of Phase 2 of the CIP will assist in the implementation of the Secondary Plan policies.

## **4.0 DOWNTOWN GUELPH COMMUNITY IMPROVEMENT PLAN**

### **4.1 Goals and Objectives**

The downtown of any city is both a measure of the general health of the municipality as well as an indicator of how well it is managed. It is clearly time to reinvest in this important segment of the local economy, both to enhance its role as a revenue generator as well as to showcase of civic pride.

This CIP will help to maintain and enhance the Downtown as the community's focus for public and private sector investment.

4.1.1 The overall goals of this CIP are to ensure that Guelph Downtown is:

- a) A vibrant multiple function place of community focus and destination of national interest.
- b) A focal area for investment in residential, employment, retail, entertainment, institutional, and civic uses as well as major infrastructure, arts, and culture.

4.1.2 Consistent with the goals of the Downtown CIP, specific objectives include:

- a) Increasing the number of people living and working Downtown.
- b) Ensuring convenient access to an appropriate mix of jobs, local services, a full range of housing, community infrastructure including affordable housing, schools, recreation, open space, public transportation and options for safe, non-motorized travel within the downtown
- c) Supporting the development of a major inter-modal transit facility.
- d) Establishing additional major academic and other institutional uses in the downtown.
- e) Encouraging the restoration of private and publicly owned building facades.
- f) Encouraging the conservation and improvement of the safety and appearance of heritage buildings.
- g) Improving the appearance and pedestrian accessibility of the Downtown streetscape.
- h) Maintaining and attracting new specialty, boutique and independent retail uses.
- i) Increasing opportunities for art and cultural appreciation, expression and development.
- j) Providing affordable housing.

## **4.2 Policies**

- 4.2.1 Once in effect, the implementation of the goals and objectives of the Plan will be achieved through the City acting on its own initiative or with private or public organizations to:
- a) acquire, hold, clear, grade or otherwise prepare land;
  - b) construct, repair, rehabilitate or improve buildings on land acquired or held by the City;
  - c) sell, lease, or otherwise dispose of any land and buildings acquired or held by the City; and
  - d) make grants or loans, in conformity with the CIP.
- 4.2.2 Any decision made or work carried out under the authority of this CIP shall conform to the goals, objectives, and policies contained herein.
- 4.2.3 In the absence of specific financial incentive program criteria, which will be developed as part of Phase 2, the objectives listed in Section 4.1.2 will serve as criteria for the assessment of proposed projects. Projects must directly contribute to the achievement of at least one of these objectives be in conformity with the CIP.

## 5.0 COMMUNITY IMPROVEMENT INCENTIVE PROGRAMS

There are currently no financial incentive programs in place. Financial incentive programs that implement the goals and objectives of this Plan will be developed as part of Phase 2 of the CIP. Program policies will set out eligible costs, eligibility criteria, and application procedures for grants and loans. Financial incentive will be developed based on the recommendations of the Downtown Secondary Plan and be introduced to this CIP by formal amendment in accordance with the Planning Act.

Examples of programs that may be developed include, but are not limited to:

- façade improvement loans for building restoration, which would encourage property owners to replace doors, windows, older façade cladding and improve the structural integrity of their buildings;
- streetscape beautification loans for signs, awnings, and other exterior features aimed at upgrading the aesthetic appeal of the private streetscape through façade improvements;
- building code compliance upgrade loans, which would encourage building code upgrades to older buildings to meet current fire, safety and accessibility regulations;
- feasibility study grants for major capital projects;
- conversion of upper storey space to residential units to utilize space above street fronting business downtown which has potential for residential use; and
- waiving or rebate of municipal fees for targeted development to provide an incentive to invest downtown.

## **6.0 IMPLEMENTATION**

This Plan will be implemented through the provisions of the Official Plan and Section 28 of the Planning Act. The implementation of Phase 1 of the CIP will be guided by the goals, objectives, and polices contained in Section 4 of this Plan, namely policies 4.2.1 a) through c).

Financial incentive programs including application requirements and eligibility criteria will be developed as part of Phase 2 and incorporated into the CIP in a future CIP amendment. The purpose of the applications and criteria will be to facilitate the review and approval of requests for financial incentives.

The CIP will be administered by the Downtown Economic Development Manager in consultation with the Downtown Coordinating Committee and various stakeholder groups, as required.

### **6.1 Plan Monitoring and Amendments**

This CIP may be periodically reviewed and adjusted based on feedback obtained through program administration of the CIP. This will be done without undertaking a formal amendment in accordance with the Planning Act provided the change(s) conform(s) to the Official Plan and applicable Provincial Policy and legislation. These minor amendments may include, but are not limited to:

- changes that arise as a result of amendments to legislation or the Official Plan;
- changes to the terms, conditions, or requirements of any financial incentive program;
- the removal of any financial incentive; and
- text changes that clarify any part of the CIP.

Formal amendments to the CIP will be required in accordance with the Planning Act when substantive changes to the CIP are made. A substantive change includes:

- changes to the Community Improvement Project Area, except where the change is made for the purpose of maintaining conformity with the Official Plan or Provincial Policy or legislation;
- the addition of any new financial incentive program; and
- any change that may result in a significant financial impact to City of Guelph.

The City will conduct period reviews of the CIP to assess its effectiveness, need for continuation and suggested changes that may be considered by way of minor or major amendment.

## 7.0 CONSULTATION

### 7.1 Government of Ontario

In accordance with section 17(15) (a) of the Planning Act, the Ministry of Municipal Affairs and Housing has been consulted in the preparation of this CIP.

During preparation of the Plan comments from the Ministry of Municipal Affairs and Housing, Ministry of Culture and Ministry of Energy and Infrastructure have been received and incorporated.

### 7.2 Public Open House

The CIP goals and objectives have been presented to the Guelph Downtown Business Association and the City of Guelph Downtown Coordinating Committee. Both were supportive of this initiative.

An open house which included a display and presentation of the plan concepts was held on Thursday May 22, 2008, 4 to 7 pm in Council Committee Room C, City Hall. Approximately 20 people attended, seven people signed the attendance list and one set of written comments was received. Response at this session was also positive.

The comments received are as follows:

*Norm Harrison (Downtown Coordinating Committee and Heritage Guelph):*

- 1. The boundary for the C.I.P should probably not stop at Gordon Street and Norfolk Street. The area around Commercial Street and from Gordon Street part way back towards Dublin Street also seem to be strong candidates for inclusion in the redevelopable/restorable core of the CBD. But the boundary should stop well short of Dublin Street, leaving the current residential character on both sides of Dublin.*
- 2. Designated heritage buildings are clearly noted on the Downtown Context map. These are not the only heritage buildings within that area. Designation is a time consuming process, especially the supporting research, so the LACAC and current Heritage Guelph have only been able to designate 80 or 90 structures all over the City. The downtown should have the most outstanding building groupings and streetscapes within one or more heritage Conservation Districts and Heritage Guelph would hope to tackle that after they have completed HCD in place elsewhere – Brooklyn, across the Speed on the south side of the CBD.*