

City of Mississauga
Corporate Report



<p>Date: March 4, 2022</p>	<p>Originator's files: CD.04 - DOW</p>
<p>To: Chair and Members of Planning and Development Committee</p> <p>From: Andrew Whittemore, M.U.R.P., Commissioner of Planning & Building</p>	<p>Meeting date: March 28, 2022</p>

Subject

PUBLIC MEETING INFORMATION REPORT (WARDS 4 AND 7)

Downtown Office Community Improvement Plan (CIP) Amendment

Recommendation

That the corporate report titled "Downtown Office Community Improvement Plan (CIP) Amendment" dated March 4, 2022, from the Commissioner of Planning and Building, and any submissions made at the public meeting held on March 28, 2022, be received for information.

Executive Summary

- The existing Downtown Office Community Improvement Plan (CIP) will expire on July 4, 2022. To maximize the potential of the combined City and Regional programs, the City's CIP should be extended to align with the Region's Major Office Incentives (MOI) Program expiry of April 22, 2026.
- An amendment to the CIP is required to extend its expiry.
- Staff are concurrently undertaking additional analysis to consider the geographic expansion of the CIP throughout the entire Downtown (Cooksville, Fairview, Hospital) / Urban Growth Centre.

Background

The City's Downtown Office Community Improvement Plan (CIP) was enacted in 2017 and came into effect in 2018. The CIP is an enabling tool that permits the following incentive programs:

- Tax Increment Equivalent Grants (TIEGs);
- Development Processing Fees Grants; and
- Municipally Funded Parking Assistance.

On April 22, 2021, Region of Peel Council approved a Major Office Incentives (MOI) program, which matches a local municipality's TIEGs up to a 10 year term, a maximum initial grant percentage of 100% and annual decline of no less than 7%. This more than doubles the impact of the City's TIEG with the Region contributing \$1.25 for every \$1 invested by the City, resulting in an incentive that is more comparable to those provided in other cities.

An Information Report was presented at the February 14, 2022 Planning and Development Committee meeting seeking approval to hold a Public Meeting on extending the expiry of the CIP (Appendix 1).

Comments

The Region's MOI Program is intended to improve the Region's competitive position to entice and expedite major office development into designated CIP areas. The stacking of local and regional TIEGs amplifies the impact and effectiveness of the initiative, but the City's CIP is set to expire on July 4, 2022. To maximize the potential of the combined City and Regional programs, the City's CIP application timeframe is proposed to be extended to align with the Region's MOI expiry of April 22, 2026. If the existing CIP expires without a program extension in effect, an entirely new CIP may be required for the Downtown which would result in a lapse between programs.

An amendment to the CIP is required to extend its expiry. The amendment, and implementing by-law, are required to be endorsed by Council and complete the 20-day appeal period prior to the current expiry date of July 4, 2022.

OVERVIEW OF THE DRAFT COMMUNITY IMPROVEMENT PLAN (CIP) AMENDMENT

Staff is proposing to amend the following Sections of the CIP, as well as minor housekeeping revisions, which are further detailed in Appendix 2.

1. **Introduction** – update to resident and job statistics as well as identifying the significant competition from residential development.
2. **Regional Government Participation** – remove the existing text and replace it with information on the Region's MOI program.
3. **Stakeholder Consultation** – amend the reference to the delegated authority by-law to indicate that it is already in place and incorporate any feedback received from this Public Meeting.
4. **Financial Incentive Programs** – extend the timing of all four of the programs to align with the Region's MOI deadline of April 22, 2026 in addition to:
 - a. **Tax Increment Equivalent Grant** – amend the program funding to include a reference to the Region's MOI.
 - b. **Development Processing Fees Grant** – amend the intent to remove the reference to building permit fees, as they are not a development processing fee.
5. **Administration Process** – update the City website for additional information.

Next Steps:

Staff intend to bring forward a Recommendation Report on May 9, 2022 for final approval. This date assumes a 20-day appeal period, prior to the expiry date of the existing agreement.

Additionally, staff are undertaking additional analysis to consider the geographic expansion of the CIP throughout the Downtown (Cooksville, Fairview, Hospital), which is anticipated to be brought forward in late 2022 or early 2023.

Strategic Plan

The Downtown Office CIP supports the strategic goal *Create a Vibrant Downtown* under the Connect pillar. It also supports the Prosper pillar which aims to develop talent, attract innovative businesses and meet employment needs.

Financial Impact

There are no financial impacts resulting from the Recommendations in this report.

Conclusion

The Downtown Office CIP will expire on July 4, 2022, but office developments in the downtown still require incentives in order to be financially viable. In order to maximize the Region's MOI matching program, the Downtown Office CIP is proposed to be extended to coincide with the Region's expiry of April 22, 2026 through an amendment to the CIP.

Attachments

Appendix 1: Information Report (February 14, 2022)

Appendix 2: Draft Community Improvement Plan Amendment



Andrew Whittemore, M.U.R.P., Commissioner of Planning & Building

Prepared by: Melissa Slupik, Planner