

To: COUNCIL

Meeting Date: 2/28/2023

Subject: Transit Oriented Development Community Improvement Plan

Submitted By: Kevin De Leebeeck, Director of Engineering

Prepared By: Lisa Chominiec, Sustainable Transportation Coordinator

Report No.: 23-162-CD

File No.: C1101

Wards Affected: All Wards

RECOMMENDATION(S):

THAT Report 23-162-CD Transit Oriented Development Community Improvement Plan be received;

AND THAT Council pass the By-law amending the Transit Oriented Development Community Improvement Project Areas By-Law 20-056 to add additional lands within the Major Transit Station Areas attached as Appendix B;

AND FURTHER THAT Council pass the by-law enacting the new Transit Oriented Development Community Improvement Plan attached as Appendix A.

EXECUTIVE SUMMARY:

Purpose

- The purpose of this report is to recommend approval of the Transit Oriented Development Community Improvement Plan (TOD CIP) and new financial incentive program.
- This report also requests approval of a modification to the Transit Oriented Development Community Improvement Project Area

Key Findings

- One of the main motives for the creation of the TOD CIP is to establish a transit-oriented development financial incentive program to support active transportation and transit ridership within the Central Transit Corridor and Major Transit Station Areas, in preparation for Stage 2 ION Light Rail Transit (LRT).

Financial Implications

- Funding from the Region of Waterloo in the amount of \$250,000 has been allocated for the transit-oriented development financial incentive program through the Region's Transit Supportive Strategy for Cambridge.

STRATEGIC ALIGNMENT:

- ☒ Strategic Action; or
☐ Core Service

Objective(s): GETTING AROUND - Emphasize connectivity and active transportation choices to help people travel in and beyond the city without a car

Strategic Action: Promote and develop more transportation options

Program: Not Applicable

Core Service: Not Applicable

Promoting sustainable transportation options, such as transit, is a strategic action of the City's Strategic Plan 2020-2023. In support of Stage 2 ION, the City is working with the Region of Waterloo to launch a transit-supportive grant program to increase ridership along the Central Transit Corridor, helping people move in and around the City without a vehicle.

BACKGROUND:

Community Improvement Plan (CIP)

A CIP is a tool that allows municipalities to provide focus and direction for the long-term improvements of a defined project area. Section 28 of the *Planning Act* allows municipalities to prepare CIPs and offer financial incentives to be used by private property owners and developers to undertake improvement projects. Without a CIP, provision of these incentives to private businesses/developers may be considered 'bonusing' and would be contrary to the *Municipal Act*.

This new CIP will aim to encourage existing businesses/property owners and new developments within the Project Area to support transit and active transportation as the main modes of travel, in preparation for Stage 2 ION LRT.

Cambridge Transit Supportive Strategy

As part of the approval for Stage 2 ION implementation in 2011, Regional Council endorsed an annual allocation of \$1,000,000 for a period of ten years (2011-2021) to implement a Regional Transit Supportive Strategy (TSS) for Cambridge. The ultimate goal of the TSS was to accelerate the implementation of Stage 2 ION LRT through

initiatives that improve transit ridership and/or encourage transit supportive development, specifically within the Central Transit Corridor in Cambridge.

Recognizing the need for developments to be more transit-supportive and the associated challenges of implementing incentives, the concept of a financial incentive program to provide support for Transit-Oriented Development (TOD) and redevelopment projects within the Cambridge LRT Route/Central Transit Corridor was approved by Region of Waterloo Council as part of the 2018 Regional Transit Supportive Strategy for Cambridge.

Past Updates

- In June 2020, through Report 20-096(CD) Transit Oriented Development Community Improvement Plan, Council adopted By-law No.20-056 to designate a Community Improvement Project Area for the TOD CIP, consisting of all lands described as within 800 meters of the LRT Route/Central Transit Corridor within the City of Cambridge.
- In February 2021 Memo IM21-003(CD) TOD CIP – Launch of Public Consultation was prepared for Council, introducing the public consultation plans and timelines.
- In February 2021 staff launched the public consultation period, consisting of a virtual platform on the Engage Cambridge website that included a presentation, survey, ideas section and the draft CIP for public comment. Staff have taken into consideration the comments and feedback received from the first round of consultation and have modified various criteria and eligibility of the program accordingly.
- In September 2022 a Statutory Public Meeting was advertised and held in accordance with the *Planning Act*. The TOD CIP was also circulated to all applicable levels of government and stakeholders.

ANALYSIS:

Transit-Oriented Development (TOD) incorporates a mix of urban design, land use, built form, public realm, and active transportation considerations all designed to encourage transit use. TOD can be used as a tool to increase transit ridership, provide mode choice, reduce vehicle miles traveled and meet other policy objectives, such as the greenhouse gas (GHG) emissions reduction targets pledged through TransformWR. Encouraging developments to have transit-supportive infrastructure can help encourage residents to choose walking, cycling and transit without complete dependence on a vehicle.

With this in mind, and through the Region's Transit Supportive Strategy for Cambridge, staff developed a financial incentive program through a CIP that can be used to help achieve the vision of transit-oriented development within the Project Area. The incentive program is designed to support property owners and developers incorporate transit-supportive infrastructure and amenities into their properties and developments, above and beyond any current requirements.

A key component in preparing for Stage 2 ION LRT involves increasing ridership before the LRT gets constructed. By enhancing the environment where active travel and transit occur, it can make using these modes more attractive to residents and visitors, forming the travel habits that are needed for the area. The draft By-law to Enact the Transit Oriented Development CIP can be found in Appendix A with the final TOD CIP attached as Schedule A to the By-law.

Proposed Amendment to the Transit Oriented Development Community Improvement Project Area By-law

In addition to the new Transit Oriented Development Community Improvement Plan (TOD CIP), a minor amendment to the existing Community Improvement Project Area By-law No.20-056 is also recommended. This amending by-law requests that some small parts of additional lands be added to the CIP Project Area, which includes the Major Transit Station Areas (MTSAs).

In consultation with Planning staff, the addition of the subject lands is based on the fact that the MTSAs have been more defined by the Region through Regional Official Plan Amendment No. 6, which was approved on August 18th 2022 (currently pending a decision by the Minister of Municipal Affairs and Housing). MTSAs are areas of land within 500m - 800m of future LRT stations (10-15 minutes walk) and are intended to be a focus for high density development and affordable housing. Amending the by-law and including the MTSAs will add an extra element of certainty that these lands are captured. See Appendix B for the draft amending By-law.

EXISTING POLICY / BY-LAW(S):

Planning Act

Section 28 of the *Planning Act* and sections 106 and 365.1 of the *Municipal Act* provide the legislative framework for community improvement planning. Under Subsections 106(1) and (2) of the *Municipal Act*, municipalities are prohibited from directly or indirectly assisting any manufacturing business or other industrial or commercial enterprise through the granting of bonuses.

However, pursuant to Section 106(3) of the *Municipal Act*, a municipality is exempt from the bonusing rule if it is exercising its authority under the provisions of Section 28(6), (7) or (7.2) of the *Planning Act* or Section 365.1 of the *Municipal Act*.

Once a CIP is approved by Council, the municipality may exercise authority under Section 28(6), (7) or (7.2) of the *Planning Act* or Section 365.1 of the *Municipal Act*, in order for the exception provided for in Section 106(3) of the *Municipal Act* to apply.

By-law No.20-056

At the June 16, 2020 meeting, Council adopted By-law No.20-056 to designate a Community Improvement Project Area for the TOD CIP, consisting of all lands described as within 800 meters of the LRT Route/Central Transit Corridor within the City of Cambridge. After consultation with Planning Staff, a small amendment to the boundary to ensure that the Major Transit Station Areas (MTSAs) are captured is recommended.

FINANCIAL IMPACT:

Through the Region's Transit Supportive Strategy for Cambridge, funding in the amount of \$250,000 has been allocated to a transit-oriented development incentive program of the CIP. Based on the success of the program, additional funding beyond the allocated amount may be discussed with the Region in future.

PUBLIC VALUE:

This initiative supports sustainable transportation options within the community. The project encourages innovative approaches to addressing environmental challenges, such as reducing transportation-related emissions by encouraging a shift to sustainable transportation modes, in particular transit.

This project also recognizes that the City has an active role to play in becoming a more sustainable city which demonstrates strong leadership.

ADVISORY COMMITTEE INPUT:

The Cycling and Trails Advisory Committee were made aware of the TOD CIP, but no formal comments were submitted.

PUBLIC INPUT:

The *Planning Act* requires public meetings be held before a Community Improvement Plan (CIP) can be considered by Municipal Council for adoption. The purpose of these public meetings is to provide the community with the required information regarding

community needs to ensure any incentive-based programs address the needs and challenges of existing and future development along the Central Transit Corridor. The mandatory Public Meeting was held on September 27, 2022 at 10 am. That meeting was advertised in the Cambridge times on September 1, 2022 in accordance with the *Planning Act*. The CIP was also circulated to all applicable levels of government and stakeholders at that time as well.

In addition to the mandatory Public Meeting, a survey and webpage was launched on the City's Engage platform in February 2021 to gather feedback on the CIP. The Engage page was also advertised on the City of Cambridge's social media channels seeking public input.

All public comments received have been addressed within the CIP.

INTERNAL / EXTERNAL CONSULTATION:

The Community Improvement Plan has been circulated to the departments and agencies listed in Appendix C.

CONCLUSION:

The goals of the TOD CIP are consistent with provincial legislation and the strategic direction of the City of Cambridge and Region of Waterloo. This Plan also supports and promotes a number of municipal policies and plans with Transportation Demand Management (TDM) goals, such as the Official Plan, the Transportation Master Plan, the Strategic Plan, the Cycling Master Plan and the concept of 15-minute neighbourhoods. The creation of a new financial incentive program is intended to support development and help build transit ridership along the Central Transit Corridor, in preparation for Stage 2 ION LRT.

REPORT IMPACTS:

Agreement: **No**

By-law: **Yes**

Budget Amendment: **No**

Policy: **Yes**

APPROVALS:

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

Deputy City Manager

Chief Financial Officer

City Solicitor

City Manager

ATTACHMENTS:

1. 23-162-CD Appendix A – Draft By-law to Enact the Transit Oriented Development CIP
2. 23-162-CD Appendix B: Draft By-law and Map to amend the Community Improvement Project Area
3. 23-162-CD Appendix C: Circulation List