A GUIDE FROM THE CREATIVE PLACEMAKING TOOLBOX:
Planning for Cultural Facilities
How Planning Tools and Incentives can Support Cultural Infrastructure Development

PART II OF II:
PLANNING TOOLS & CASE STUDY
APRIL 2016
Artscape does not assume responsibility for the accuracy, validity, or completeness of the content within this document. You are solely responsible for the retrieval and use of the content. You should apply your own judgment in making any use of any content including, without limitation, the use of the information as the basis for any conclusions.

This document is copyrighted by Toronto Artscape Inc. with all rights reserved. Under the copyright laws, this document cannot be reproduced in any form without the prior written permission of Toronto Artscape Inc.

© by Toronto Artscape Inc. All rights reserved.

Cover photos: Garrison McArthur Photography

ARTSCAPE
Artscape is a not-for-profit urban development organization that makes space for creativity and transforms communities. Artscape comprises: Toronto Artscape Inc., Artscape Non-Profit Homes Inc. and Artscape Foundation. BC Artscape is an independent affiliate.

CREATIVE PLACEMAKING LAB
Artscape’s Creative Placemaking Lab shares our knowledge and experience through workshops, webinars, mentorship and coaching and other activities. We offer a range of programs and services based on Artscape’s unique, tested, highly evolved approach. We publish an array of resources for people interested in developing their own projects, and instigate special projects to contribute to the advancement of the field. All of our Research Publications are available to read/download on our Artscape DIY website.

To learn more about Artscape’s Creative Placemaking Lab, please visit our website, or contact our Program Manager at 416-392-1038 x41.
# Planning for Cultural Facilities

How Planning Tools and Incentives can Support Cultural Infrastructure Development

## Part II: Planning Tools & Case Study

## TABLE OF CONTENTS

1. **Introduction** ................................................................................................................. 2

### PLANNING TOOLS ................................................................................................. 4

2. **Section 37 Funds** ........................................................................................................ 6

3. **Brownfield Financial Tax Incentive and Brownfield Remediation Tax Assistance** .......................................................... 6

4. **Heritage Property Tax Relief** ..................................................................................... 7

5. **Property Tax Rebate Program for Registered Charities** ............................................. 7

6. **Property Tax Exemptions for Theatres** ....................................................................... 8

7. **Tax Increment Equivalency Grants (TIEGS)** ............................................................. 8

8. **Development Charge Exemptions** ............................................................................. 9

9. **Municipal Capital Facilities** ....................................................................................... 9

10. **Below-Market Rent** .................................................................................................. 10

11. **Capital Loan Guarantee (Line of Credit)** ................................................................. 10

12. **Levies & Taxes** ......................................................................................................... 11

### PLACEMAKING TOOLS ................................................................................................. 12

### CASE STUDY: ARTSCAPE WYCHWOOD BARNs .............................................. 13

13. **Key Takeaways** ........................................................................................................ 14

14. **Directory of Key Resources** ..................................................................................... 16
1. INTRODUCTION

What is the Purpose of this Document?
Based on Artscape’s experience, Planning for Cultural Facilities is intended as a guide and resource to assist with navigating the complex landscape of legislation, planning frameworks, fiscal tools and incentives that must be understood and leveraged in order to gain support, funding and approval for the development of cultural infrastructure.

While Artscape’s development activities are focused in Toronto and Vancouver, it also shares knowledge with urban centres and communities across Canada and around the world. Because planning regulations are unique to each city, province, and country, it should be noted that the focus of this information is on Toronto, Ontario, Canada. A variety of tools exist outside this geographic boundary, and in this document we have also pointed to a small number of examples of planning and fiscal tools from other jurisdictions.

Why is this Important?
Artscape positions its projects within the frame of Creative Placemaking – intentionally leveraging the power of the arts, culture and creativity to serve a community’s interests while driving a broader agenda of change, growth and transformation in a way that also builds local character and quality of place. It is a strategy to improve community prosperity and well-being while allowing neighbourhoods or cities to define, draw attention to and distinguish themselves. Creative Placemaking can be a complex business, and understanding the regulations, programs and policies that govern urban space and how they work together is crucial to any development project.

The individuals responsible for creating and enforcing these policies – and the bureaucracy’s interface for the preparation and submission of development applications – are often planners, who themselves work alongside government officials and departments who specialize in environmental, social, economic and cultural development. The practice of planning refers to the process of managing and directing the physical change of cities, including what can be built within them, so as to achieve positive outcomes with respect to the social, economic, and natural environment. This complex and dynamic process is influenced by technical assessment of future needs, political priorities, past precedent and historical context, and neighbourhood-level interests. While sometimes seen as an afterthought in the context of private sector development and debates over big-ticket infrastructure investment, cultural planning is a vital component of building healthy sustainable communities.

When considering development proposals, planners rely upon a variety of documents – some that articulate overarching visions and guiding principles, and others that detail minute criteria and regulations. Each individual regulation may apply to a specific type of development. By understanding and responding to the regulatory context, it is possible to position a project for support and approval. Similarly, by knowing exactly what tools and incentives are in place, it may be possible to use them to support the feasibility, sustainability and impact of a cultural facility project.
What this document is not, however, is a template. The end results of Creative Placemaking can be astounding, but it is important that communities do not simply try to borrow or copy what has been done elsewhere. For a cultural infrastructure project to succeed, it must be authentically of a place, built from the ground up to respond to local assets and needs, and will undoubtedly require project-specific and place-based strategies and solutions.

Note: In this guide we have described planning tools and assistance that are, or have been, available to arts and culture in Toronto and Ontario. However, the information is, and is intended to be, general in nature and is for information purposes only. This publication is no substitute for professional advice for your own specific situation, and if such advice is needed, such services should be sought from a competent experienced professional. In addition, the material in this document is inherently time sensitive, as changes in legislation, judicial decisions and commercial practice will make information obsolete or inaccurate over time. Always ensure that you are consulting the most recent version of any government plan, act or regulation.

SECTIONS

PART I:
LEGISLATION: Provincial and municipal policy that inform planning and development
PLANNING FRAMEWORKS: Regulations focusing on the development goals of specific locations

PART II:
PLANNING TOOLS: Municipal finance, government assistance, rebates and grants
PLACEMAKING TOOLS: Guidelines and urban design programs that enrich public space
CASE STUDY: Artscape Wychwood Barns

FUTURE SECTIONS:
HOUSING ARTISTS: Live/work zoning and other affordable housing models
TOOLS FROM ABROAD: Planning & fiscal tools in use outside of Ontario that benefit cultural development
PLANNING TOOLS

Planning tools are financial assistance and incentives that are useful to development, including government grants, rebate, and other programs that reduce financial pressure and can help increase a project’s success. Planning tools are different in each province and municipality and can be used in combination to encourage certain types of development. By offering incentives to cultural organizations, governments increase their ability to provide creative infrastructure that benefits both the city and its residents.

In Ontario, planning tools useful to cultural development include:

- Section 37 of the Ontario Planning Act
- Brownfield Financial Tax Incentive,
  Brownfield Remediation Tax Assistance
- Heritage Property Tax Relief
- Property Tax Rebates for Registered Charities
- Property Tax Exemption for Theatres
- Tax Increment Equivalency Grants
- Development Charge Exemptions
- Municipal Capital Facilities (Below Market Rent Lease)
- Capital Loan Guarantee (Line of Credit)
- Levies
Ontario Planning Act

Description
The Planning Act sets rules for land use planning in Ontario. The Act is the basis for municipal consideration of provincial interests; for municipal preparation of planning documents, such as Official Plans; and for municipal control and regulation of land uses through zoning by-laws and the issuance of minor variances.

Relevance
Whether for cultural infrastructure or other forms of development, the Planning Act underlies the fundamental elements of municipal land use control, and defines the steps, consultation requirements, appeals process, and timelines with respect to processes such as site plan approval, Official Plan amendment and zoning by-law amendment.

Relevant sections
Numerous sections of the Planning Act may be relevant to a development application, including Section 34 (Zoning by-laws), Section 44/45 (committee of adjustment and minor variances), and Section 53 (Consents / severing a property). Two sections are noted below with respect to cultural infrastructure:

- **Section 2 (Provincial Interest)**
  Identifies the adequate provision and distribution of educational, health, social, cultural and recreational facilities as being a matter of provincial interest.

- **Section 37 (Increased density, etc., provision by-law)**
  Allows for municipalities to grant increases in height or density in exchange for facilities, services or matters that benefit the community. Such facilities might include cultural infrastructure.

City of Toronto Act (COTA)

Description
In recognition of Toronto’s size and significance, the Act is a legislative framework that came into force on January 1, 2007, defining a broad set of powers and tools provided to the City of Toronto, above and beyond those delegated by the province to all other municipalities through the Municipal Act.

Relevance
In the context of economic development (Section 83, General power to make grants), the City of Toronto Act allows the City to make grants, including the power:

- To guarantee a loan.
- To sell or lease land for nominal consideration, or to grant land.
- To acquire land and erect and improve buildings and structure to provide leased premises to encourage the establishment and initial growth of small businesses.
2. SECTION 37 FUNDS

Cultural Relevance
Section 37 of the [Ontario Planning Act](#) allows municipalities to seek contributions for community improvements from developers in exchange for granting height and/or density beyond what is permitted in the [zoning bylaw](#). Funds generated through Section 37 agreements have created substantial revenue from the private sector for cultural development. These allocations have helped finance heritage conservation and restoration, the preservation, replacement and building of affordable housing, public art, as well as community and cultural facilities.

Tool Description
Section 37 Agreements are negotiations between a developer and the municipality that secure community benefits in exchange for increased height or density. The list of community benefits that a municipality will consider, in exchange for additional height and density, must be set out beforehand in the municipality’s Official Plan.

Section 5.1.1 of the [Toronto Official Plan](#) identifies Section 37 community benefits, including:
- Conservation of heritage resources
- Non-profit child care facilities
- Public art
- Non-profit arts, cultural, community or institutional facilities
- Parkland and/or park improvements
- Public access to ravines or valleys
- Streetscape improvements not abutting the site
- Replacement or preservation of rental housing
- Purpose built rental housing with affordable units
- Other local improvements identified through Community Improvement Plans, Secondary Plans, Avenue Studies, environmental strategies, sustainable energy strategies, community services and facility strategies, or other implementation plans or studies.

3. BROWNFIELD FINANCIAL TAX INCENTIVE AND BROWNFIELD REMEDIATION TAX ASSISTANCE

Cultural Relevance
In many cities vacant lands remain unused if they are contaminated former industrial sites because the cost of clean-up is high. However, older industrial sites are often found in central locations on valuable urban real estate. Remediation of these sites can revitalize communities, increase neighbouring property values, and support local employment opportunities. The City of Toronto has very little available land and much of what remains vacant in the city’s downtown core are brownfields. The potential value of unused space in neighbourhoods and the city at large can be enhanced by using culture-led regeneration to develop brownfields.

Tool Description
The [Brownfield Financial Tax Incentive](#) (BFTIP) is a financial tool the municipalities can offer through a [Community Improvement Plan](#). The tool allows municipalities to provide municipal property tax assistance to landowners working to remediate brownfields, putting them back into productive use.

In Toronto, [Brownfield Remediation Tax Assistance](#) (BRTA) can also be used to assist property owners with offsetting the cost of remediation. BRTA allows the City of Toronto to cancel all or a portion of the tax increase directly attributed to the increase in assessed value related to remediation and development. To qualify for the City’s BRTA program, a property must be developed for non-retail employment uses.

In Ontario, many other municipalities have programs and incentives to encourage brownfield redevelopment, including Belleville, Goderich, Hamilton, Kingston, London, Oshawa and Ottawa. Strategies can also be found in [British Columbia](#) and [Alberta](#).
4. HERITAGE PROPERTY TAX RELIEF

Cultural Relevance
Heritage properties are powerful contributors to the overall character of a city and to local sense of place. Through restoration and re-use, these sites can attract new visitors, businesses and residents and encourage local pride and economic investment. These buildings/areas can be further enhanced through the adaptive re-use of heritage properties for cultural facilities.

Tool Description
In Ontario, municipalities can provide tax relief ranging from 10% to 40% for owners of heritage properties. **Heritage Property Tax Relief** is often administered through location-specific **Community Improvement Plans** to encourage the maintenance, rehabilitation and conservation of heritage properties. Properties eligible for this rebate must be designated under Part IV or V of the **Ontario Heritage Act**, have a **Heritage Easement Agreement** and have no outstanding debts owed to the City.

The **Toronto Heritage Preservation Services** includes the **Heritage Grant Program** which provides grants for up to 50% of costs related to the conservation of heritage properties, and the Heritage Property Tax Rebate Program, whereby eligible heritage properties may receive up to a 40% property tax rebate on identified heritage portions of the property.

Other municipalities with programs that provide guidelines and assistance for heritage properties include [Vancouver](https://www.canada.ca), [Winnipeg](https://www.gov.mb.ca), [Ottawa](https://www.ottawa.ca) and [Halifax](https://www.gov.ns.ca).

5. PROPERTY TAX REBATE PROGRAM FOR REGISTERED CHARITIES

Cultural Relevance
Many arts and cultural groups operate as not-for-profit organizations or as registered charities. Many municipalities offer property tax rebates to not-for-profit or charitable organizations, and this financial assistance can reduce costs associated with buying space or developing property in locations that best suit organizational goals.

Tool Description
In Toronto, the **Property Tax Rebate Program** offers registered charities a 40% property tax rebate if they meet eligibility criteria. Applicants are selected on a yearly basis, and eligibility criteria are outlined on the city's property tax website.

Similarly, property tax rebates are made available to registered charities throughout Ontario, including those located in the **Greater Sudbury**, **York**, **Peel**, **London** and **Niagara** regions. Eligibility criteria differ from city to city.
6. PROPERTY TAX EXEMPTIONS FOR THEATRES

Cultural Relevance
The performing arts require specialized facilities that are both large enough and properly equipped to showcase a production. These spatial necessities are costly to not-for-profit and small scale groups who face challenges generating revenue to finance yearly activities. Property tax exemption for performing arts venues helps reduce costs associated with buying or developing space.

Tool Description
The Ontario Assessment Act exempts certain theatres from paying property tax (see Section 3, paragraphs 26 and 27). Theatres that have 1,000 seats or fewer are exempt from paying property tax. Applicable types of theatres include those used for drama, comedy, music, opera or dance performance. If operated by a not-for-profit corporation, larger theatres with more than 1,000 seats may be eligible for a reduction in property taxes. Theatres not exempt from property tax include dinner theatres, bars, nightclubs and adult entertainment venues.

7. TAX INCREMENT EQUIVALENCY GRANTS (TIEGS)

Cultural Relevance
Tax Increment Equivalency Grants are an effective tool to stimulate development by lowering property tax rates during the first 10 years of a new development. Through significantly reduced payments, cultural organizations can increase their ability to sustain project operations.

The City of Toronto’s Economic Development Imagination, Manufacturing, Innovation, Technology (IMIT) program applies TIEG grants to stimulate investment in the industrial and commercial sectors, recognizing several sectors eligible for TIEGs including creative industries, tourism attractions, convergence centres and incubators. Live/work units are not eligible for IMIT grants.

Tool Description
TIEGs allow developers to phase in the payment of higher property taxes for increased land value resulting from a new project. Tax increments are paid with gradual increases over the duration of the grant, providing a “tax holiday” of savings up front. Toronto’s IMIT TIEG program can grant up to 60% of the increased taxes arising from the new development over a 10-year term, or 70% for eligible developments within designated Employment Districts and Areas. Where brownfield remediation is involved, the maximum grant amounts increase to 67% and 77%, respectively. In Toronto, grant duration is 10 Years, or up to 12 years [9+3 additional incentive] where the property qualifies to receive Brownfield Remediation Tax Assistance.

Some Ontario municipalities have set up TIEG programs through the community improvement provisions of Section 28 of the Planning Act, including London and Thunder Bay.
8. DEVELOPMENT CHARGE EXEMPTIONS

Cultural Relevance
Development charge exemptions benefit cultural investment by easing financial burdens in building new projects. Incentives like development charge exemptions for eligible cultural projects increase the opportunity for a city to be selected as the location of new development.

Tool Description
In Ontario municipalities, developers are required to pay development charges which help recover growth-related infrastructure costs related to servicing new projects (e.g. new sidewalks, water and sewer upgrades, street lamps, snow removal, etc.). The Development Charges Act, 1997, does not permit the imposition of development charges to pay for the provision of cultural and entertainment facilities, however exemptions from development charges can provide an important tool with respect to developing a feasible business plan for a cultural facility.

Toronto’s Development Charge bylaw exempts public hospitals, colleges and universities, industrial uses and non-profit housing from paying development charges. Projects that have received a grant under the Imagination, Manufacturing, Innovation and Technology (IMIT) Program (for which creative industries may be eligible) are also exempt from paying development charges.

While specific to each municipality, projects built within designated community improvement project areas may also be exempt from paying certain development charges.

9. MUNICIPAL CAPITAL FACILITIES

Cultural Relevance
Identifying opportunities to offset or minimize the operating costs of cultural infrastructure is important with respect to demonstrating the feasibility of a project, and with respect to the long-term sustainability of both the project and the administering organization. The provisions made for Municipal Capital Facilities may enhance the feasibility and sustainability of a new development by exempting all or part of a property from municipal and school property taxes.

Tool Description
Section 252 of the City of Toronto Act, 2006 allows the City to enter into agreements with any person for the provision of what are deemed to be municipal capital facilities, and allows City Council to exempt from taxation for municipal and school purposes, land or a portion of land, on which those municipal capital facilities are or will be located.

Ontario Regulation 598/06 prescribes the various classes of property eligible as municipal capital facilities for the purpose of section 252, and they include the following:

- City facilities related to the provision of social and health services, including long-term care homes
- City facilities for public libraries.
- City community centres.
- City facilities used for cultural, recreational or tourist purposes.
- City housing project facilities (for units that are affordable housing)

In Ontario, the cities of Hamilton, London, Waterloo and Chatham also have special provisions for Municipal Capital Facilities.
10. BELOW-MARKET RENT

Cultural Relevance
Rent costs can be a significant burden for many organizations, particularly in the not-for-profit sector. Finding a location that offers a below-market rent can greatly reduce overhead costs, and improve the operational sustainability of non-profit and cultural organizations. Additionally, the availability of affordable rates can attract anchor tenants to a new development who can influence local character and become a magnet for similar types of organizations.

Tool Description
In accordance with the City’s Below Market Rent Policy on City-Owned Space, the City of Toronto can offer below-market rent (BMR) leases to organizations with the exclusive use of city-owned or managed space, including community and cultural organizations that require a reduced rate to provide their services and programming.

Eligibility criteria for organizations, under the City’s BMR policy, includes that they must:

• Have non-profit status;
• Provide programs and services that are aligned with a city division mandate, and that further City objectives and priorities;
• Provide services primarily for Toronto residents;
• Not provide services that are the responsibility of another level of government; and
• Demonstrate financial viability to maintain a 5-year lease.

11. CAPITAL LOAN GUARANTEE (LINE OF CREDIT)

Cultural Relevance
When a cultural organization wishes to embark on a substantial project, they may require a line of credit from a financial institution. Before receiving these funds recipients must qualify by providing a guarantor. Section 83 of the City of Toronto Act (2006) allows the city to act as the guarantor to non-profit cultural and community-based organizations in recognition of the value these groups bring to the city.

Tool Description
A capital loan guarantor is a necessary requirement, assuming liability in the occurrence that an organization defaults on repayment for a line of credit to a financial institution. This works in the same way as a secured line of credit, where third-party support or collateral is needed for an individual to receive financing.

Similar programs exist to help grow development and business in Quebec, Manitoba, North West Territories, Prince Edward Island, New Brunswick, and Nova Scotia.
12. LEVIES & TAXES
The tools discussed in this section – parkland dedication levies, third-party sign tax, and the use of a dedicated development levee and trust – are tools that are most commonly used to direct funds to specific priorities, including facilities and amenities that are related to cultural infrastructure (parks, community centres, schools). In the context of intensifying communities, there will increasingly be opportunities to leverage such tools to directly contribute to the development of cultural infrastructure.

Parkland Dedication Levies
Section 42 of the Planning Act enables a municipality to require the conveyance of land (or cash-in-lieu of land) for park or recreational purposes, as a condition of development. City of Toronto By-law No. 1020-2010 addresses Parkland Dedication, defining the required conveyance of land (as a percent of the development site) for parks purposes for both residential and non-residential development, or the required payment of Park Levy Fees in lieu of parkland dedication (set out as a percentage of market value of development lands). Park Levy Fees are collected in Parkland Dedication Reserve Funds to be used as follows: 25% to acquire parkland throughout the city, 25% to acquire parkland within the district, 25% to develop and upgrade parks throughout the city, and 25% to develop and upgrade parks within the district. An Alternative Parkland Dedication rate applied to residential developments built in the City’s parkland acquisition priority areas – areas in which Council has identified a specific need based on parkland service levels and development/growth pressures. Park Levy Fees collected in parkland acquisition priority areas are allocated to an Alternative Parkland Dedication Reserve Fund, tracked by Ward, and must be directed toward improving parks within the vicinity of the development, and to acquiring parkland that is accessible to the area in which the development is located.

Development Levy Agreement / Trust
The redevelopment of the Railway Lands, west of Spadina Avenue, provides an interesting example of the use of development levees to build specific facilities/amenities to serve the needs of a new population resulting from large scale development. The Railway Lands have been developed to become a new community of close to 20,000 people (CityPlace), presently without access to local schools, child care, and public recreational facilities. The City of Toronto is currently collaborating with the Toronto District School Board (TDSB) and the Toronto Catholic District School Board (TCDSB) to build community facilities that will include a community centre, a child care centre, a TDSB school (550 students), and a TCDSB school (530 students).

The multi-use facility will be financed by funds held in a Development Levy Trust, established through a 1994 Umbrella Agreement between the City, the TDSB, and the TCDSB. The 1994 agreement provided for development levy revenue to be collected from all development within the Railway Lands Central and West specifically to finance the construction of a community centre, a child care centre and elementary schools. In addition to requiring that the levies be expended on the construction of these facilities, the Development Levy Trust Agreement also sets out a time frame, requiring the completion of the community infrastructure within 5 years of reaching a threshold of above-grade gross floor area in the development area.

As of December 31, 2013, the Development Levy Trust account had received almost $36 million. The land for the community facilities (Block 31) is already owned by the City, transferred to it by CN Railways in 1994, in order to implement planning approvals for the Railway Lands redevelopment.

Third-Party Sign Tax (Billboard Tax)
The City of Toronto has implemented a Third-Party Sign Tax (TPST), applying to the owners of all third-party signs in the city with a sign face area greater than one square metre. The tax came into effect in 2009, but the City was unable to start levying the tax until 2012, after a series of court challenges and appeals had concluded.

In 2013, Council allocated an annual draw from revenues generated by the Third Party Sign Tax towards increased spending on arts and culture, in order to alleviate pressure on the property tax base while phasing in, over four years, Council’s commitment to increase spending on arts and culture to $25 per capita.
PLACEMAKING TOOLS

Complementary to the building of creative spaces, placemaking tools are used to improve the public realm and generate civic improvements through things like public art, streetscaping, gardening and property repairs. When used effectively, they may enhance urban design and influence how people move through, enjoy and use public space.

Placemaking tools are unique and distinct to each city and region and provide various types of resources and financial assistance. Making effective use of the available tools can both attract visitors and contribute to the everyday quality of life for local residents.

Below are links to some placemaking tools found in Ontario and Toronto. Click here to learn more about approaches to Creative Placemaking.

PROVINCIAL

Planning By Design: A Healthy Communities Handbook
http://www.mah.gov.on.ca/Page6737.aspx

Citizens Guide To Land-Use Planning

A Kids Guide To Building Great Communities
https://www.cip-icu.ca/Files/Resources/kidsguide.aspx

Archaeology Management Plans
http://www.mah.gov.on.ca/Page7302.aspx

MUNICIPAL

Percent for Public Art Program
http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=fcf65297faa58410VgnVCM1000071d60f89RCRD

Business Improvement Areas
http://www.toronto.ca/bia/about.htm

Urban Design Streetscape Manual
http://www.toronto.ca/planning/urbdesign/streetscape/index.htm

Commercial Façade Improvement Program
http://www.toronto.ca/311/knowledgebase/31/101000045431.html

Competitiveness, Creativity and Collaboration (CCC) Investment Program

Heritage Preservation Services
http://www.toronto.ca/heritage-preservation/index.htm
CASE STUDY:
ARTSCAPE WYCHWOOD BARNs
LOCATION: 601 Christie Street, Toronto, ON
COMPLETION DATE: November 2008

Artscape Wychwood Barns, a former industrial site used by the Toronto Transit Commission as a streetcar maintenance facility, was redeveloped with a vision to create an environment that encourages collaborations, incubates ideas and integrates arts as a facilitator of community-building. The Project balances artistic promotion, urban parklands, heritage preservation, affordable housing, green infrastructure and the improvement of public space through The Barns’ five components: a Studio Barn with live/work residences, work-only studios for artists and a Community Gallery; the Covered Street Barn, which serves as a venue for exhibitions, festivals and events; the Community Barn, with performance space, office, and storage facilities for not-for-profit organizations; The Stop Community Food Centre’s Green Barn, which includes a greenhouse; and the 5th Barn – an outdoor space that provides a pedestrian corridor through the site, and that includes community gardens.

The LEED Gold-certified complex is now home to 26 artist live/work spaces, 10 not-for-profit organizations, 14 artist studies, a daycare, a theatre, indoor and outdoor gardens, a community gallery and an 8,000 square-foot Covered Street for markets, conferences and events.

The Artscape Wychwood Barns provides a leading example of how placemaking tools can come together to create cultural spaces that facilitate the regeneration of a community. Moreover, Artscape Wychwood Barns demonstrates the importance of positioning a project for support by understanding, and developing a concept that resonates with regulatory plans and frameworks. Key takeaways from the project are highlighted to showcase the strategies that have contributed to the success of the Artscape Wychwood Barns.
13. KEY TAKEAWAYS
City of Toronto – Direct Funding & Support

- **Section 37**: $1,000,000 of Section 37 funds, flowing from an agreement for increased density and height granted to a condominium tower near the location of the Barns, was secured from a private developer and directed, by the City, to the Barns project.

- The City of Toronto exercised its Policy of **Capital Loan and Line of Credit Guarantees for cultural and community organizations** that have a direct financial relationship with the City of Toronto, providing a $3.5 million capital loan guarantee to the project.

- **Below Market Rent Lease**: at the outset of the project, the City entered into a long-term Below Market Rent (BMR) lease with Artscape, at the nominal rate of $1 per year, for 50 years.

- **Capital Revolving Fund for Affordable Housing**, $350,000 from the Affordable Housing Office as start up funding for the 26 units of affordable live/work residence.

- The City provided the project with a $1,800,000 **Subsidy for providing Low cost Housing Units**, for the 26 affordable live/work units.

City of Toronto – In Kind Support

- **In-Kind funding** by the City of Toronto to the Artscape Wychwood Barns project included:
  - Land Donation,
  - Planning Application, Building Permits and Levies,
  - Development Charges,
  - Parkland Dedication,
  - Site Remediation

<table>
<thead>
<tr>
<th>City of Toronto – Direct Funding and Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 37 agreement ($1.0 M) secured from private developer</td>
</tr>
<tr>
<td>Capital Loan Guarantee ($3.5 M)</td>
</tr>
<tr>
<td>Guarantee of $90,000 Grant and $600,000 Low Interest Loan</td>
</tr>
<tr>
<td>Below Market Rent Lease</td>
</tr>
<tr>
<td>Capital Revolving Fund for Affordable Housing</td>
</tr>
<tr>
<td>Subsidy for Providing Low Cost Housing Units</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
</tr>
</tbody>
</table>

*Source: City of Toronto, Staff Report - Cost/Benefit Analysis of the Artscape Wychwood Barns Project, 2009.*
PART II : PLANNING TOOLS & CASE STUDY

Other Applicable Tools & Support

- **Amendments to the Official Plan and Zoning Bylaws** were required to permit the range of uses proposed for the site, which had previously only been zoned to permit transportation related uses. The amendments, once approved by the City of Toronto, enabled the repurposing of the building and site as a mixed-use facility, including affordable live/work dwellings, artist studios, multi-purpose areas used for display and exhibition of art, cultural and community events, performing arts studios, a greenhouse and a community bake oven. 3

- **Municipal Capital Facility**: From an operating standpoint, designation as a Municipal Capital Facility exempts large portions of the Barns site from municipal and school taxes. Specifically, Council has designated the Covered Street Barn (Barn 2) (14,518 sq. ft.), ancillary spaces supporting the Covered Street (745 sq. ft.), the Community Gallery (8,566 sq. ft.) and public washrooms, entryways and utility rooms (5,958 sq. ft.) as Municipal Capital Facilities for cultural, recreational or tourist purposes for public use. These spaces were identified as providing community use space, including year-round access for community events, exhibitions, festivals, etc. The portions of the premises being used by The Stop Community Food Centre (8,250 sq. ft.) has also been deemed eligible for Municipal Capital Facility status as a community centre. 4

- **Municipal Housing Capital Facility**: The affordable housing component of the project, 26 units and 19,386 sq. ft. of space for live/work artist studios, is exempted from property taxes and municipal fees and charges. 5

- **Theatre under 1,000 Seats**: The theatre and ancillary theatre production space (6,392 sq. ft.) is eligible for statutory exemption under the Assessment Act as a theatre under 1,000 seats. 6

---

<table>
<thead>
<tr>
<th>City of Toronto – In Kind Support</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land Donation</strong></td>
</tr>
<tr>
<td><strong>Planning Application, Building Permits and Levies</strong></td>
</tr>
<tr>
<td><strong>Development Charges</strong></td>
</tr>
<tr>
<td><strong>Parkland Dedication</strong></td>
</tr>
<tr>
<td><strong>Remediation</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
</tr>
</tbody>
</table>

*Source: City of Toronto, Staff Report - Cost/Benefit Analysis of the Artscape Wychwood Barns Project, 2009.*


14. DIRECTORY OF KEY RESOURCES

PLANNING TOOLS
Ministry of Municipal Affairs and Housing on Section 37
http://www.mah.gov.on.ca/Page6845.aspx

Toronto’s approach to the use of Section 37

Section 5.1.1 of the Toronto Official Plan summarizes Section 37 and Community Benefits.
http://www1.toronto.ca/planning/chapters1-5.pdf

BROWNFIELD FINANCIAL TAX INCENTIVE & BROWNFIELD REMEDIATION TAX ASSISTANCE
Brownfield Financial Tax Incentive
http://www.mah.gov.on.ca/Page5077.aspx

Brownfield Remediation Tax assistance
http://www1.toronto.ca/wps/portal/contentonly?vgnnextoid=725b4b5073cfa310VgnVCM10000071d60f89RCRD&vgnextchannel=6e4032d0b6d1e310VgnVCM10000071d60f89RCRD
Brownfield Redevelopment in Ontario


The Toronto Community Improvement Plan for Brownfield Remediation and Development of Prescribed Employment Uses


Financing a Brownfield Redevelopment

http://www.mah.gov.on.ca/Page223.aspx

BY-LAW No. 1323-2012: To designate the City of Toronto as a Community Improvement Project Area and to adopt the City-Wide Community Improvement Plan for Brownfield Remediation and Development of Prescribed Employment Uses


HERITAGE PROPERTY TAX RELIEF

Heritage Property Tax Relief


Ontario Municipal Act: section 365.2

https://www.ontario.ca/laws/statute/01m25#BK431

City of Toronto Act: section 334

https://www.ontario.ca/laws/statute/06c11#BK422

Ontario Heritage Act

http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90o18_e.htm

Toronto Heritage Preservation Services

http://www.toronto.ca/heritage-preservation/index.htm

PROPERTY TAX REBATE PROGRAM FOR REGISTERED CHARITIES

City of Toronto Property Tax Rebate Program

http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=e725ff0e43db1410VgnVCM10000071d60f89RCRD

PROPERTY TAX EXEMPTIONS FOR THEATRES

Ontario Assessment Act

http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90a31_e.htm
TAX INCREMENT EQUIVALENCY GRANTS (TIEGS)
Municipal Financial Tools for Planning and Development Series Info Sheet

City of Toronto Business Incentives: Imagination, Manufacturing, Innovation, Technology (IMIT)
http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=bc2c4b5073cfa310VgnVCM10000071d60f89RCRD&vgnextchannel=6e4032d0b6d1e310VgnVCM10000071d60f89RCRD

DEVELOPMENT CHARGE EXEMPTIONS
2013 City of Toronto Development Charges By-law

1997 Development Charges Act
http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_97d27_e.htm

City of Toronto Development Charges information
http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=a90b285441f71410VgnVCM10000071d60f89RCRD

MUNICIPAL CAPITAL FACILITIES (BELOW MARKET RENT)
Section 110: Ontario Municipal Act
http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_01m25_e.htm

Ontario Regulation 598/06, Municipal Capital and School Facilities, City of Toronto Act, 2006

City of Toronto, List of Grants
http://www.toronto.ca/grants/index.htm

CAPITAL LOAN GUARANTEE (LINE OF CREDIT)
Comprehensive Review of Toronto’s Loan Guarantee and Loan Portfolio

Section 83: City of Toronto Act
http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_06c11_e.htm#BK101
PLACEMAKING TOOLS

PROVINCIAL
Planning By Design: A Healthy Communities Handbook
http://www.mah.gov.on.ca/Page6737.aspx

Citizens Guide To Land-Use Planning

A Kids Guide To Building Great Communities

MUNICIPAL
Percent for Public Art Program
http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=8108be4436161410VgnVCM10000071d60f89RCRD

Business Improvement Areas
http://www.toronto.ca/bia/about.htm

Urban Design Streetscape Manual
http://www.toronto.ca/planning/urbdesign/streetscape/index.htm

Commercial Façade Improvement Program
http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=f2a846aa794fa310VgnVCM10000071d60f89RCRD&vgnextchannel=ea3032d0b6d1e310VgnVCM10000071d60f89RCRD

Competitiveness, Creativity and Collaboration (CCC) Investment Program

Heritage Preservation Services
http://www.toronto.ca/heritage-preservation/index.htm