

Let's Build Thunder Bay- Ambassadors and Developers Suggested Improvements

1. Land

a. **Disposal of surplus city-owned property**

Innova Park and other lands

Current situation: Lands are available for sale at a stipulated price by the city. The developer wishing to purchase a lot or land needs to submit a development proposal with an application to purchase the land. If the City approves the development proposal, the developer must prepare a site plan and detailed drawings and submit them to the city for approval. Once the drawings are approved, a purchase and sale agreement may be executed. The developer can then apply for a building permit and commence site preparation. The developer must construct at minimum of 15% of the building within one year before the title is transferred. The building must be 100% complete within two years.

This approach adds considerable time to the process of purchasing the land and is unaffordable for smaller developers who require financing for their development.

Suggested Improvement: Lands should be appraised at fair market value and made available for sale. Listing the properties with the Thunder Bay Real Estate Board would ensure a broader awareness of the available properties and would motivate local realtors to promote the purchase of these lands since they would receive a real estate commission. Any offer presented for the full purchase price should be accepted by the city and transfer of title should take place upon payment at the transaction's closing. The purchaser needs to develop the property to comply with zoning requirements. Restrictions on construction development should be kept to a minimum. A penalty can be imposed if the developer does not commence construction within a reasonable amount of time.

b. ***Divest Third-Party Real Estate***

Current Situation: The City of Thunder Bay is competing with the private sector for real estate tenants with City-owned real estate. There is no issue with this where the City itself is the tenant; however, the city tax dollars should not be going towards tenant fit-up costs of non-city-owned entities or departments.

Suggested Improvement: The implementation of a thorough review of the properties' value, strategic importance, and potential use. Collaboration with relevant stakeholders will ensure that these assets are utilized, or sold, in a manner that benefits the community. (while adhering to regulatory requirements)

c. ***Availability of new Commercial and Industrial Land for Development***

Current Situation: Assessing and ensuring the availability of commercial and industrial lands to support local economic growth is crucial. This involves reviewing current land inventories, identifying potential areas for development, and ensuring that the land is appropriately zoned and serviced to meet the needs of businesses and industries. There is currently no sufficient supply of industrial land, and businesses are forced to look elsewhere.

Suggested Improvement: Develop a long-term land-use plan that supports business expansion and attracts new industries, thus creating jobs and boosting the local economy. This process should include input from developers, industry, Thunder Bay Port Authority, and Thunder Bay Airport Authority. The most desirable industrial lands for future development are the City owned lands north of the Harbour Expressway between the Expressway and Mapleward Road. A lot of this land is currently designated Environmental Protection in the Official Plan. City should undertake an Environmental Evaluation of those lands to explore the possibility of reducing the protected area and explore how development could take place along the North side of the Harbour Expressway. City owned lands north of Oliver road between Golf Links Road and the Thunder Bay Expressway should be developed for Commercial/Institutional to align with the spinoffs from the Thunder Bay Regional Health Sciences Centre and Lakehead University. The current Official Plan designation is residential. Considering the lands are situated under two high voltage hydro lines and next to the Thunder Bay Expressway, the Commercial/Institutional designation might be a better use of the land given its proximity to the University and the Health Sciences Centre and the lack of other available lands to be used for Institutional/Commercial in that area.

d. **Availability of new residential land for development**

Current Situation: There is a lack of available fully serviced lots for single-family homes in Thunder Bay. For the last several years, no fully serviced lots have been available in new subdivisions in Port Arthur, and very few have been in Fort William. Considering that development on fully serviced lots is the most desirable under Provincial policies, there should be an emphasis on increasing the supply of single-family building lots in subdivisions, not just medium and high-density building lots. Thunder Bay residents prefer to own single-family homes or townhomes where they can have a front yard and a back yard.

Affordable housing is created by selling an existing home by a family purchasing or building a newer home. Affordability is also created by increasing the supply of both lots and homes for sale. In the past few years, the lack of available lots and homes for sale has contributed to significant price increases.

Suggested Improvement: Promote residential infill to optimize land use within the city, especially in areas with existing infrastructure. Work with developers to permit new subdivisions within the Urban Settlement Area of the Official Plan, provided the developers pay for any external servicing costs.

2. City Planning

a. ***Building Permits***

Current Situation: The approval process for building permits takes 4-6 weeks. Additionally, the city requires the submission of sprinkler design, truss certificates, and a plumbing information letter before issuing the building permit. As a result, developers and contractors often have to apply for a foundation permit while waiting to gather this required information.

Suggested Improvement: Set a firm timeline of 3-4 weeks from the submission of a building permit to its issuing. Work with developers, architects, and contractors to enhance efficiency. Explore options, including allowing licensed professionals to

issue certain permits to streamline the review process to ensure timely project initiation and compliance with regulatory requirements. Allow for certificates for roof trusses, floor trusses, plumbing, sprinklers, and other certificates to be submitted within a certain time period from the issuing of the building permit.

b. ***Site Plan Control***

Current Situation: City Plan control is a lengthy process that frustrates projects. It is much too bureaucratic. It takes far too much of both the City's and Developer's time.

Suggested Improvement: We propose eliminating the Site Plan Control process and integrating its components into the zoning framework and building permit process. This adjustment would simplify the approval process for developers. Only two things make a project look good – trees and greenery. And whether that 'greenery' is grass or shrubs is irrelevant. The City could expand on its landscape details and have a number of "approved" trees and shrubs (that are reasonable in price) and a standard as to how many go along a front-facing street and how far apart.

3. Relationship with Developers and Contractors

a. ***City Development Liaison Position who reports to the City Manager***

Current Situation: There is not one main point of contact who holds the city accountable for City Planning, Services, and Development and for meeting the required timelines

1. **Suggested Improvement:** Appoint a person who will report monthly to the City Manager on all development and construction planning ongoing in the City. Legal, Engineering, Planning and Realty Services, and Community Services (Parks and Recreation) would be responsible for reporting and responding to this person.

4. Affordability: Construction

a. *Register Plan of Subdivision*

Current Situation: Developers are forced to pay taxes once a plan is registered.

Suggested Improvement: Tax Deferral: Taxes are not increased until a building permit has been issued for the lot.

b. *Utilities*

Current Situation: Developers and Contractors are facing long lead times for the delivery of these services. Timelines often do not line up with the project schedule, which adds delays and additional costs to projects. This includes Hydro, Sewer and Water.

Suggested Improvement: Set firm timelines for delivering these services. Have a list of prequalified contractors who can perform these services when timelines cannot be met.

c. *Development Charges*

Current Situation: There are currently no development charges.

Suggested Improvement: Do not implement these in Thunder Bay. All costs should be born by the private Developer.

d. *Net Zero*

Current Situation: The city is moving towards a net zero initiative. These initiatives are costly to achieve and add costs to projects that the City and Private Developers cannot afford.

Suggested Improvement: Although we agree that building efficiencies and investments in green technology is a good thing, they should not be mandated. If

there is a payback and business case or government funding available, they should be considered. Remove these mandatory requirements, and development within the City should meet the Ontario Building Code and not exceed them. Construction costs are typically 15-20% higher in Northwestern Ontario than in Winnipeg or the GTA; this is our region's number one killer of projects.

e. ***Availability of Affordable Services Land (Residential)***

Current Situation: Urban infill is a goal that both the city and developers should be working together to achieve. When infill happens, this allows people to upgrade, opening up affordable homes within the city. Construction costs to build in urban infill areas is relatively the same as in new subdivisions.

Suggested Improvement: The City and Development Community should be working together to open up new Subdivisions and Urban Infill areas for single-family housing and multi residential.

5. City Legal

Current Situation: Dealing with City Legal Services takes too long, which adds considerable time and costs to a development or project.

Suggested Improvement: City to commit to firm timelines for delivery items from City Legal to the developer. Furthermore, Legal Services should be responsible to the City Liaison Appointee who reports to the City Manager.

6. Public Private Partnership (P3)

a. ***Opportunities***

Current Situation: The City has a major infrastructure deficit with a number of projects i.e. Police Station, Community Housing and City owned building that need improvement or replacement.

Suggested Improvement: Explore a framework to work with the Private Sector to develop, own, and operate facilities similar to Infrastructure Ontario's model adopted by other municipalities across the province. This assists with the city debt load, and projects would need to be valued using a net present value calculation.