



Brownfield Community Improvement Plan

(as approved by the Ministry of Municipal Affairs and Housing)
February 2006







prepared by







Copyright © 2006, [Corporation of the City of Niagara Falls]

The City of Niagara Falls reserves all rights. No part of this publication may be reproduced, recorded or transmitted in any form or by any means, electronic, mechanical, photographic, sound, magnetic or other, without advance written permission from the owner.

The Niagara Falls City-Wide Brownfield Community Improvement Plan, Brownfield Redevelopment Strategy, Pilot Project Area Study and Pilot Project Area Study Land Use Recommendations have been produced with the assistance of the Green Municipal Fund, A Fund financed by the Government of Canada and administered by the Federation of Canadian Municipalities. Notwithstanding this support, the views expressed are the personal views of the author(s), and the Government of Canada and the Federation of Canadian Municipalities accept no responsibility for them.



i

Table of Contents

		Page
Intr	oduction	1
1.1	What are Brownfields?	1
1.2	Rationale for Brownfield Redevelopment in Niagara Falls	1
	1.2.1 Economic Benefits	2
	1.2.2 Environmental Benefits	2
	1.2.3 Social Benefits	2 3 3
	1.2.4 Smart Growth	3
1.3	Purpose and Goals of the Brownfields CIP	4
	1.3.1 Purpose	4
	1.3.2 Goals	5
1.4	Glossary of Terms	6
Legi	islative Authority and Planning Policies	8
2.1		8
2.2		8
2.3		9
2.4	Provincial Policy Statement	9
2.5	City of Niagara Falls Official Plan Policies	10
Critical Needs Analysis		11
3.1	Methodology	11
3.2	Geographic Distribution of Potential Brownfield Sites	11
3.3	Impediments	12
3.4	Opportunities	12
Con	nmunity Improvement Project Area	13
Fina	ancial Incentive Programs	14
5.1	Introduction	14
5.2	General Program Requirements	17
5.3	Environmental Study Grant Program	18
	5.3.1 Purpose	18
	5.3.2 Description	18
	5.3.3 Requirements	19
	5.3.4 Administration	20
5.4	Brownfields Tax Assistance Program	20
	5.4.1 Purpose	20
	5.4.2 Description	20
	5.4.3 Requirements	22
	5.4.4 Administration	23
	1.1 1.2 1.3 1.4 Leg 2.1 2.2 2.3 2.4 2.5 Crit 3.1 3.2 3.3 3.4 Con Fina 5.1 5.2 5.3	1.2 Rationale for Brownfield Redevelopment in Niagara Falls 1.2.1 Economic Benefits 1.2.2 Environmental Benefits 1.2.3 Social Benefits 1.2.4 Smart Growth 1.3 Purpose and Goals of the Brownfields CIP 1.3.1 Purpose 1.3.2 Goals 1.4 Glossary of Terms Legislative Authority and Planning Policies 2.1 Section 106 – Municipal Act 2.2 Section 28 – Planning Act 2.3 Section 365.1 – Municipal Act, 2001 2.4 Provincial Policy Statement 2.5 City of Niagara Falls Official Plan Policies Critical Needs Analysis 3.1 Methodology 3.2 Geographic Distribution of Potential Brownfield Sites 3.3 Impediments 3.4 Opportunities Community Improvement Project Area Financial Incentive Programs 5.1 Introduction 5.2 General Program Requirements 5.3 Environmental Study Grant Program 5.3.1 Purpose 5.3.2 Description 5.3.3 Requirements 5.3.4 Administration 5.4 Brownfields Tax Assistance Program 5.4.1 Purpose 5.4.2 Description 5.4.3 Requirements



Table of Contents

			Page	
	5.5	Brownfields Rehabilitation Grant Program	24	
		5.5.1 Purpose	24	
		5.5.2 Description	24	
		5.5.3 Requirements	26	
		5.5.4 Administration	27	
6.0	Brownfields Development Charge Exemption Program			
	6.1	Purpose	28	
	6.2	Description	28	
	6.3	Requirements	29	
	6.4	Administration	30	
7.0	Brownfields Municipal Leadership Strategy			
	7.1	Purpose	31	
	7.2	Description	31	
	7.3	Guidelines for Identifying Priority Sites and Projects	33	
8.0	Monitoring Program			
	8.1	Purpose	34	
	8.2	Description	34	
	8.3	Program Adjustments	34	
9.0	Conclusion		36	
10.0	References		37	
List (of Fig	ures		
1		fits of Brownfield Redevelopment	4	
2	Rationale for Municipal Programs and Strategies			
3		nfields Rehabilitation Grant Program	25	
4	Varia	bles to Be Monitored	35	
List	of App	pendices		
A	-	of Niagara Falls Official Plan Community Improvement Policies	A-1	
В		ral Areas for Community Improvement (Appendix V of the		
		of Niagara Falls Official Plan)	B-1	
C		munity Improvement Project Area	C-1	
D	Environmental Study Grant Program Administration D-			
E	Brownfields Tax Assistance Program Administration E			
F	Brownfields Rehabilitation Grant Program Administration F-			



1.0 Introduction

1.1 What are Brownfields?

For purposes of this CIP, a "brownfield" is defined as abandoned, vacant, derelict, idled or underutilized industrial or commercial property in the urban area with an active potential for redevelopment, where redevelopment is complicated by real or perceived environmental contamination, building deterioration/obsolescence, and/or inadequate infrastructure.

Brownfield sites represent an environmental, economic and social concern for any community. From an economic perspective, brownfields can reduce local employment opportunities and property tax revenues, as well as limiting opportunity and economic development. Brownfields can also lower surrounding property values. From the environmental perspective, contamination of soil and groundwater may be a concern for human health and safety, as well as environmental quality. Underused brownfield sites in the urban core represent a lost opportunity to limit urban sprawl onto greenfield sites at the urban fringe. Urban sprawl has significant economic and environmental costs and jeopardizes prime agricultural lands. From a social perspective, brownfield sites can attract vandals, open dumping and other illegal activity that can lead to urban blight, contributing to neighbourhood and employment area deterioration and negatively impacting the quality of life in a community.

1.2 Rationale for Brownfield Redevelopment in Niagara Falls

The City of Niagara Falls has a long history of industrial and manufacturing development dating back to the late 1800s and continuing throughout the 1900s. It was during the late 1800s that small-scale hydroelectric plants first developed on both sides of the border at Niagara Falls. These plants provided an inexpensive source of local hydroelectric power for the many industries and manufacturing plants that were drawn to the area.

Further industrial/manufacturing development occurred in the Niagara Falls area following the construction and commissioning of the Sir Adam Beck No. 1 Generating Station in 1922. Towards the close of the 20th century and concurrent with a changing global economy, many of the early industrial plants established in the area became obsolete. As a consequence, many were closed as opposed to being upgraded. Due to poor or non-existent waste management practices that were prevalent throughout the heyday of the industrial and manufacturing era, many of these closed, derelict or abandoned properties have known or potential environmental contamination, resulting in a significant number of brownfields in the older industrialized areas of Niagara Falls and throughout the urbanized area.

An increasingly important tourism economy also accompanied the industrial/manufacturing development of Niagara Falls, which began in the mid-1880s and expanded throughout the 1900s. Tourism in Niagara Falls has now reached the point where it is now the mainstay of the local economy.



As described below, numerous Canadian and U.S. studies have highlighted the benefits of brownfield development at all geographic levels (national, regional, local). However, most of the benefits of brownfield development tend to accrue at the local level because all development, be it brownfield or greenfield, is inherently local. Therefore, with almost 700 potential brownfield sites distributed across the urban area of the City of Niagara Falls, the rationale for addressing the brownfield issue in Niagara Falls can be found in the significant economic, environmental and social benefits that would accrue in the City of Niagara Falls.

1.2.1 Economic Benefits

A recent study of brownfield development in Canada found that every \$1 spent in the Canadian economy on brownfield development generates approximately \$3.80 in total economic output in all industries in the Canadian economy¹. Experience in the U.S. has demonstrated that as brownfields are developed, the value of surrounding properties within a radius of up to 2.5 km. (1.5 miles) can increase by an average of 10 percent². Numerous other U.S. and Canadian studies have found that brownfield development can increase neighbourhood property values³. Experience in Hamilton and other municipalities that have had brownfield development programs in place for some time suggests that brownfield development projects can result in a significant increase in property tax revenues to local and provincial governments.

1.2.2 Environmental Benefits

The environmental restoration and development of brownfield sites will serve to remove threats to the health of workers and residents in Niagara Falls by improving the environmental quality of soil and groundwater. The positive impact of brownfield development on the environment is not limited to individual sites. Environmental restoration of individual sites can have a cumulative positive impact on the environment, including the protection of groundwater resources, wetlands and wildlife habitat⁴.

A study of brownfield versus greenfield development examined 48 brownfield projects in six cities across the United States. This study found that every acre of brownfield land developed would have required 4.5 acres of greenfield land⁵. This demonstrates the potential of brownfield development to reduce the amount of greenfield land being consumed in Niagara Falls, thereby reducing urban sprawl and its associated negative environmental impacts, including air and water pollution and the loss of prime agricultural land. By using existing infrastructure, brownfield development can also reduce the costs of urban sprawl, including the costs of providing hard and soft services to greenfield areas.

¹ Regional Analytics. 2002.

² Hara Associates. 2003.

³ See for example, Environment Canada. 1998.

⁴ Regional Analytics. 2002.

⁵ Deason et.al. 2001.



Brownfield projects, be they employment or residential uses, can also reduce the distance between the location of employment areas and residential areas, and therefore transportation costs. For example, a recent study found that every hectare of brownfield land redeveloped for residential purposes can save as much as \$66,000 a year in transportation costs relative to equivalent greenfield development⁶. Therefore, brownfield development can have the effect of reducing commuting needs, thereby reducing traffic congestion and air pollution.

1.2.3 Social Benefits

While the economic and environmental benefits of brownfield development are more obvious, brownfield development can also generate significant social benefits at the local level. Based on an analysis of a dozen brownfield projects across Canada, the NRTEE concluded that brownfield development can be an engine for urban renewal⁷. Case studies reviewed by the NRTEE showed that this renewal can take the form of:

- neighbourhood, employment area and downtown revitalization;
- improved aesthetic quality of the urban environment;
- provision of affordable housing opportunities;
- creation of recreational and public open spaces;
- improved safety and security; and,
- an increased sense of community participation and civic pride.

Figure 1 below summarizes the benefits of brownfield development and the interrelationship between these benefits. For example, the economic benefits resulting from brownfield development, such as increased incomes and property tax revenues can contribute to social benefits such as neighbourhood stability and quality of life. Therefore, financial incentive programs that result in an increase in brownfield development will translate into economic, environmental and social benefits.

1.2.4 Smart Growth

The rationale for promoting the redevelopment of brownfields in Niagara Falls is further supported by the Region of Niagara's Smart Growth initiative. As part of its Smarter Niagara Incentive Programs, in April of 2003, the Region approved a series of brownfield financial incentive programs including:

- a) An Environmental Assessment Grant Program to assist with the costs of conducting environmental studies;
- b) A tax-increment based (TIB) grant program to provide grants to help offset the costs of environmental remediation; and,
- c) A Municipal Brownfield Leadership Program to help fund public-private partnerships to clean up brownfield sites, as well as marketing and educational programs.

_

⁶ Hara Associates. 2003.

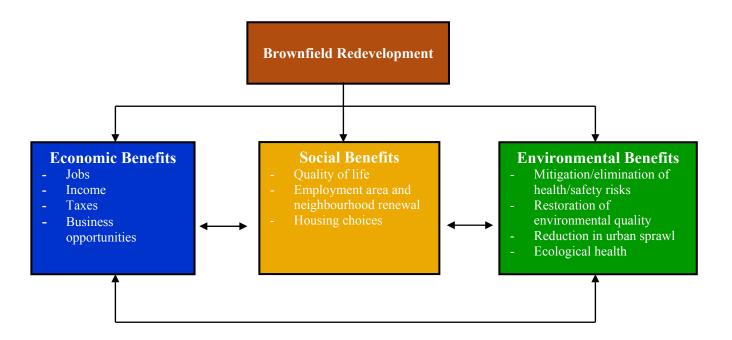
⁷ National Roundtable on the Environment and the Economy, 2003.



Municipalities in the Region of Niagara wishing to take advantage of this Regional funding must prepare and adopt community improvement plans.

In April of 2003, the Region also finalized its Development Charge Waiver/Exemption Program, which includes a minimum 75% waiver of development charges on brownfield sites, with up to a 100% waiver for projects that incorporate smart growth principles. The Regional Municipality of Niagara has been working with local municipalities in Niagara to promote brownfield development. By adopting a Brownfield Community Improvement Plan, the City of Niagara Falls will be able to take advantage of Regional programs to promote brownfield redevelopment while doing its part to promote Smart Growth in the Region of Niagara.

Figure 1 Benefits of Brownfield Redevelopment



Source: Regional Analytics, 2002.

1.3 Purpose and Goals of the Brownfields CIP

1.3.1 Purpose

The purpose of this Brownfields CIP is to provide a framework of incentive programs and municipal actions that will promote the remediation, rehabilitation and adaptive reuse and overall improvement of brownfield properties throughout Niagara Falls. This CIP was developed based on research and analysis contained in a number of comprehensive background reports that examined:



- a) Brownfields related legislation and regulations;
- b) Existing environmental, physical and economic conditions in community improvement project areas across the city;
- c) Existing Community Improvement and Environmental Quality Policies in the Official Plan; and,
- d) Best practices in brownfield redevelopment in leading Ontario and U.S. municipalities that could be used as guiding principles and programs for the Niagara Falls Brownfield CIP.

The Background Reports are listed below:

- B1 Community Improvement Background Report (November 2004);
- B2 Revised Official Plan Policies (December 2005);
- B3 Environmental Due Diligence Procedure (November 2004);
- C1 Brownfield Best Practices (November 2004);
- D1 Pilot Project Area Background Report (November 2004);
- D2 Pilot Project Area Environmental Summary (March 2005).

The results of these reports were used along with the results of a comprehensive stakeholder and public consultation process to prepare this CIP, including the incentive programs and municipal brownfield leadership strategy contained herein. These programs were designed specifically to address the key impediments to brownfield redevelopment in Niagara Falls.

1.3.2 Goals

The goals of this CIP are consistent with Provincial policy and the Smart Growth policies of the Region of Niagara. This Plan also supports and promotes the community improvement goals contained in the City's Official Plan.

The goals of this CIP are as follows:

- a) Stimulate and leverage private and public sector investment to promote the remediation, rehabilitation, adaptive re-use, and overall improvement of brownfield sites throughout the City of Niagara Falls;
- b) Promote Smart Growth in the City of Niagara Falls, including the reduction of urban sprawl and its related costs;
- c) Improve the physical and visual quality of the City;
- d) Increase tax assessment and property tax revenues for the City of Niagara Falls and the Province of Ontario;
- e) Improve environmental health and public safety within the City;
- f) Retain and increase employment opportunities in the City;
- g) Increase community awareness of the economic, environmental and social benefits of brownfield redevelopment; and,



h) Utilize municipal resources to demonstrate leadership in the remediation, rehabilitation, adaptive re-use, and overall improvement of brownfield sites throughout the City of Niagara Falls.

1.4 Glossary of Terms

The following defines terms used in this CIP.

"Applicant" Unless otherwise specified, is a registered owner, assessed owner or tenant

of lands and buildings within the community improvement project area, and any person to whom a registered owner, assessed owner or tenant of lands and buildings within the community improvement project area has

assigned the right to receive a grant or loan.

"Brownfield": An abandoned, vacant, derelict, idled or underutilized industrial or

commercial property in the urban area with an active potential for

redevelopment, where redevelopment is complicated by real or perceived environmental contamination, building deterioration/obsolescence, and/or

inadequate infrastructure.

"City": The City of Niagara Falls.

"Community

Improvement": Unless otherwise specified, this term is as defined and used in accordance

with its meaning under Section 28 of the *Planning Act*, and means the planning or replanning, design or redesign, resubdivision, clearance, development, redevelopment, reconstruction and rehabilitation, 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, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary.

"Community

Improvement Plan": Unless otherwise specified, this term is as defined and used in accordance

with its meaning under Section 28 of the *Planning Act* and means a plan approved by the Minister of Municipal Affairs and Housing for the community improvement of a community improvement project area.

"Community Improvement

Project Area": Unless otherwise specified, this term is as defined and used in accordance

with its meaning under Section 28 of the *Planning Act* and means a

municipality or an area within a municipality, the community improvement

of which in the opinion of the council is desirable because of age,

dilapidation, overcrowding, faulty arrangement, unsuitability of buildings



or for any other environmental, social or community economic

development reasons.

"Eligible property": Unless otherwise specified, is a property (including land and buildings) that

is within the Community Improvement Project Area as defined in this Plan.

"Qualified person": As defined by Section 168.1 of the Environmental Protection Act and

Ontario Regulation 153/04.

"Region": The Regional Municipality of Niagara.

"Rehabilitation": Unless otherwise specified, this term is as defined and used in accordance

with its meaning under Section 28 of the Planning Act.

"Smart Growth

Principles": As it relates to the Regional Municipality of Niagara Development Charges

Waiver/Exemption Program, this includes a substantial commitment to intensification, mixed use, walkable neighbourhoods, housing choice and

reduced setbacks.



2.0 Legislative Authority and Planning Policies

2.1 Section 106 – Municipal Act

Section 106(1) and (2) of the *Municipal Act*, 2001 prohibits municipalities from directly or indirectly assisting any manufacturing business or other industrial or commercial enterprise through the granting of bonuses. Prohibited actions include:

- a) giving or lending money or municipal property;
- b) guaranteeing borrowing;
- c) leasing or selling any municipal property at below fair market value; and
- d) giving a total or partial exemption from any levy, charge or fee.

Section 106(3) of the *Municipal Act, 2001* provides an exception to this bonusing rule for municipalities exercising powers under the provisions of Section 28(6) or (7) of the *Planning Act* or Section 365.1 of the *Municipal Act, 2001*. Section 28 of the *Planning Act* allows municipalities with provisions in their official plans relating to community improvement to designate by by-law a "community improvement project area" and prepare and adopt a community improvement plan for the community improvement project area. Once the community improvement plan is approved by the Province, the Municipality may exercise authority under Section 28(6) or (7) of the *Planning Act* or Section 365.1 of the *Municipal Act, 2001* in order that the exception provided for in Section 106(3) of the *Municipal Act, 2001* will apply.

2.2 Section 28 – Planning Act

According to Section 28(1) of the *Planning Act*, a "community improvement project area" is defined as "a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason".

Section 28(1) of the *Planning Act* defines "community improvement" as "the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, reconstruction and rehabilitation, 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, works improvements or facilities, or spaces therefore, as may be appropriate or necessary".

Once a municipality has designated a "Community Improvement Project Area", prepared and adopted a CIP for this project area, and the CIP is approved by the Minister of Municipal Affairs and Housing (MMAH), the municipality may:

i) acquire, hold, clear, grade or otherwise prepare land for community improvement (Section 28(3) of the *Planning Act*);



- ii) construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan (Section 28(6));
- sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan (Section 28(6)); and
- iv) make grants or loans to registered owners, assessed owners and tenants of land and buildings within the community improvement project area, to pay for the whole or any part of the cost of rehabilitating such lands and buildings (Section 28(7)).

Section 28(7.1) of the *Planning Act* specifies that the total of all grants and loans made under Section 28(7) of the *Planning Act* and tax assistance provided under Section 365.1 of the *Municipal Act, 2001* in respect of the land and buildings shall not exceed the cost of rehabilitating the land and buildings. The financial incentive programs contained in Section 5.0 of this Plan contain safeguards to ensure that this legislative requirement is met.

2.3 Section 365.1 – Municipal Act, 2001

Section 365.1(2) and (3) of the *Municipal Act, 2001* allows municipalities to pass a by-law providing tax assistance to an eligible property in the form of a freeze or cancellation of part or all of the taxes levied on that property for municipal and education purposes during the rehabilitation period and the development period of the property, both as defined in Section 365.1 (1) of the *Municipal Act, 2001*. Section 365.1 of the *Municipal Act, 2001* operates within the framework of Section 28 of the *Planning Act*. A municipality with an approved community improvement plan in place that contains provisions specifying tax assistance will be permitted to provide said tax assistance for municipal and education purposes.

2.4 Provincial Policy Statement (PPS)

The Provincial Policy Statement (PPS) is issued under Section 3 of the *Planning Act* and is intended to guide municipalities as they make planning decisions. The *Planning Act* requires that municipal decisions in respect of the exercise of any authority that affects a planning matter "shall be consistent with" the PPS.

The PPS supports the remediation and redevelopment of brownfield sites. For example, section 1.7.1 c) of the PPS states that "long-term economic prosperity should be supported by promoting the redevelopment of brownfield sites". Brownfields are defined in the PPS as "undeveloped or previously developed properties that may be contaminated. They are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant".

The PPS also supports Smart Growth through urban growth management. For example, section 1.1.3.3 of the PPS states "planning authorities shall identify and promote opportunities for intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs". Therefore, the PPS supports brownfield redevelopment as a way to achieve the goal of promoting



intensification and redevelopment. Other policies in the PPS (sections 1.1.1 a), 1.1.1 g) and 1.6.2) support the management of growth to achieve efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term. The redevelopment of brownfields has a role to play in this regard.

2.5 City of Niagara Falls Official Plan Policies

Part IV, Section 11 of the City of Niagara Falls Official Plan contains required community improvement policies as referenced in Section 28(2) of the *Planning Act*. These policies set out the rationale and goals for community improvement and how Council will accomplish community improvement. This includes the criteria to be considered when designating a community improvement project area, priority areas for community improvement and the range of actions that Council may undertake to implement community improvement plans. Depending on the purpose for which it is designated, a community improvement project area may be the entire urban area of the City of Niagara Falls, or any part of the urban area. The full text of Part IV, Section 11 of the City of Niagara Falls Official Plan is contained in Appendix A.



3.0 Critical Needs Analysis

3.1 Methodology

In order to develop an effective Brownfields CIP for Niagara Falls, the first step was to understand the geographic distribution of potential brownfield sites and the impediments and opportunities for brownfield redevelopment in Niagara Falls. City mapping of potential pollution sources was reviewed and an analysis of existing physical and economic conditions was conducted to determine the boundaries of the General Areas for Community Improvement (see Background Report B1 – Community Improvement Background Report).

In order to obtain input on the key impediments and opportunities for brownfield redevelopment, an extensive consultation exercise was conducted with key stakeholders, staff and the public. A public meeting was held at the beginning of the preparation of the Brownfields CIP. Two sets of interviews were conducted during the summer of 2004 with key stakeholders, including brownfield property owners and developers, to determine what they viewed as the key impediments and the opportunities for brownfield redevelopment in Niagara Falls and the types of municipal actions and financial incentives they felt were necessary to encourage them to clean up and redevelop brownfield sites. The input obtained at the public meeting and through the interviews was augmented through discussions with City and Regional staff, experience and best practices in other municipalities, and the key impediments identified by the National Roundtable on the Environment and Economy (NRTEE) in their 2003 National Brownfield Redevelopment Strategy for Canada.

3.2 Geographic Distribution of Potential Brownfield Sites

The City's Potential Pollution Sources mapping identifies a total of 694 sites that are potential pollution sources. These sites include current and past manufacturing uses, salvage yards, landfills, PCB storage sites, and gasoline/service stations. Therefore, all of these sites are potentially brownfield sites. These potential brownfield sites are widely dispersed around the City, but only 7 of the 694 sites fall outside the urban area boundary. Approximately 269 (or 39%) of these sites are located within the General Areas for Community Improvement (see Appendix B).

Based on the analysis of physical, economic and environmental conditions conducted for the Critical Needs Analysis, the Brownfields Pilot Project Area was identified as the highest priority brownfield area in the City of Niagara Falls (see Appendix C). This is largely because of the size and number of vacant brownfield sites in the Pilot Project Area and the strategic location of this area close to the City's old Downtown. The General Areas for Community Improvement were identified as the next highest priority, with the remainder of the Urban Area as the third level of priority for brownfield redevelopment (see Appendix C).



3.3 Impediments

Based on the Critical Needs Analysis, the following key impediments to brownfield redevelopment in Niagara Falls were identified:

- a) Need for a clear and consistent process regarding municipal requirements when remediating a brownfield site;
- b) The cost of environmental studies;
- c) The cost of site remediation, risk assessment/risk management;
- d) The cost of demolition, building retrofitting and upgrading/replacing on-site and off-site infrastructure;
- e) Need an incentive for not-for-profit corporations wishing to rehabilitate brownfield sites;
- f) Need an incentive to promote Smart Growth, including the use of green and energy efficient technologies;
- g) Need more support and participation from the City and Region through leadership and partnerships;
- h) Need to raise the awareness and knowledge of brownfields among developers and the general public; and,
- i) Need incentives that work for both small and large developments.

3.4 Opportunities

Numerous opportunities for brownfield redevelopment were identified by the key stakeholders and staff. This includes several very large properties in the Pilot Project Area and other parts of the city such as the Drummond Industrial Area. These properties are well located from an accessibility perspective and appear marketable for a number of uses. Several of the developers interviewed expressed strong interest in redeveloping the brownfield properties that they currently own or control and in acquiring additional brownfield properties in the city for redevelopment in the future. However, these same developers consistently cited the costs of environmental remediation as a key impediment and the need to expedite environmental and planning approvals. In summary, there appear to be significant brownfield redevelopment opportunities in the City of Niagara Falls. The purpose of this CIP is to provide the strategic framework to overcome the impediments to brownfield redevelopment and unlock the potential of these opportunities in the City of Niagara Falls.



4.0 Community Improvement Project Area

The boundary of the Community Improvement Project Area was based on the results of the Critical Needs Analysis which showed the existence and distribution of potential brownfield sites throughout the Urban Area of the City of Niagara Falls. Therefore, the Community Improvement Project Area for this CIP is "the area designated as Urban Area in the City of Niagara Falls Official Plan, as amended from time to time". The Community Improvement Project Area is properly defined by this text reference to the Urban Area. The boundary of the Community Improvement Project Area as shown in Appendix C is provided for illustrative purposes only. Any change to the Urban Area, and therefore the Community Improvement Project Area, will be captured by the above-noted text reference and will not require amendment to this Plan.

Based on the analysis of physical, economic and environmental conditions conducted for the Critical Needs Analysis, the Community Improvement Project Area has been divided into three sub-areas as shown in Appendix C based on priority for the brownfields assistance programs contained in this CIP:

Area 1 – Pilot Project Area – highest priority

Area 2 – Other General Areas for Community Improvement – second highest priority

Area 3 – Rest of the Urban Area – third highest priority

The types of financial assistance programs available in each sub-area are detailed in Section 5.0.



5.0 Financial Incentive Programs

5.1 Introduction

In order to achieve the brownfield redevelopment goals of this CIP, the impediments to brownfield redevelopment in Niagara Falls must be overcome. The comprehensive set of financial incentive programs and the municipal leadership strategy contained in this CIP represent a framework specifically designed to address the impediments to brownfield development in Niagara Falls and help achieve the goals of this CIP. Figure 2 shows how the key impediments to brownfield development identified during the consultation process are addressed through the financial incentive programs, the municipal leadership strategy and other municipal strategies programs in this CIP.

The incentive programs and municipal leadership strategy contained in this CIP were developed based on an extensive program of consultation with stakeholders, staff, City Council and the public, as well as a review of best practices used by other municipalities. Based on the comments received during the stakeholder consultations during 2004 and the first public meeting, several financial incentive program concepts were developed. These financial incentive concepts were presented to stakeholders and City and Regional staff at a meeting in February of 2005. Feedback received at this meeting was used to refine the financial incentive programs. The refined financial incentive programs and a municipal leadership strategy were then presented at a Public Open House held in June of 2005. Comments received from the public and stakeholders during and after the open house were utilized to further refine the financial incentive programs contained in this CIP. Finally, in November of 2005, the Draft Brownfields CIP was presented to staff and Council.

All of the strategic actions and programs described in this section are ultimately directed at encouraging private sector remediation and rehabilitation, adaptive reuse and construction activity on brownfield sites. These incentive programs can be used individually or together by an applicant. For each of the financial incentive programs listed, this section describes the purpose, type, duration, eligibility criteria and application requirements. The financial incentive programs will be augmented and complemented by a proactive program of municipal actions including the Municipal Brownfield Leadership Strategy and a Marketing Strategy.

This Plan contains the following financial incentive programs:

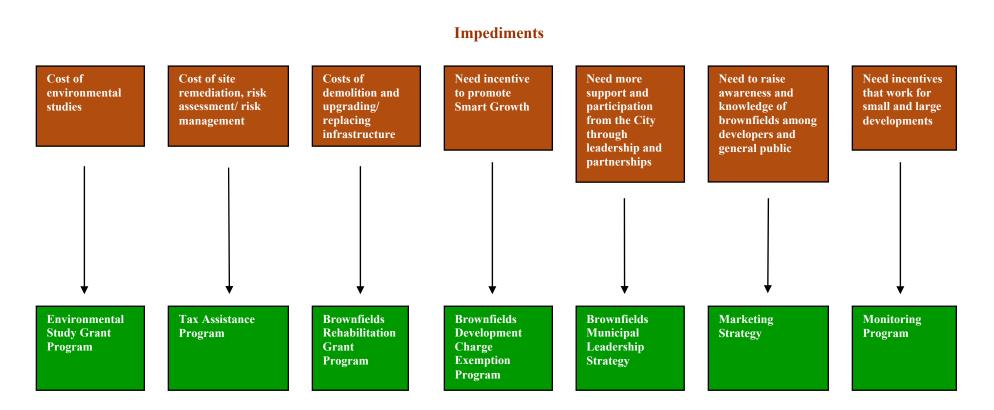
- a) Environmental Study Grant Program;
- b) Tax Assistance Program; and,
- c) Rehabilitation Grant Program.



Finally, one other program which does not actually form part of this Plan is referenced in Section 6.0 of this report. The Development Charge Exemption Program provides an exemption from 75% of the municipal (City and Regional) development charges payable on a brownfield sites with up to an additional 25% development charge exemption for the inclusion of Smart Growth principles into the proposed development. An amendment to the Region's development Charges By-law has already been made to implement this program. An amendment to the City's Development Charges By-law will be required to implement the City component of this program. As this amendment to the City's Development Charges By-law is outside the scope of the *Planning Act*, the Development Charge Waiver Program has only been referenced in this Plan, and does not form part of this Plan.



Figure 2 Rationale for Municipal Programs and Strategies



Municipal Programs and Strategies



5.2 General Program Requirements

All of the financial incentive programs contained in this CIP are subject to the following general requirements as well as the individual requirements specified under each program. The general and program specific requirements contained in this CIP are not necessarily exhaustive and the City reserves the right to include other requirements and conditions as deemed necessary on a property specific basis:

- a) The City reserves the right to audit the cost of environmental studies, environmental remediation works, and/or rehabilitation works that have been approved under any of the financial incentive programs, at the expense of the applicant;
- b) The City is not responsible for any costs incurred by an applicant in relation to any of the programs, including without limitation, costs incurred in anticipation of a grant and/or tax assistance;
- c) If the applicant is in default of any of the general or program specific requirements, or any other requirements of the City, the City may delay, reduce or cancel the approved grant and/or tax assistance;
- d) The City may discontinue any of the programs at any time, but applicants with approved grants and/or tax assistance will still receive said grant and/or tax assistance, subject to meeting the general and program specific requirements;
- e) All proposed works approved under the incentive programs and associated improvements to buildings and/or land shall conform to all municipal by-laws, policies, procedures, standards and guidelines, including applicable Official Plan and zoning requirements and approvals;
- f) The improvements made to buildings and/or land shall be made pursuant to a Building Permit, and/or other required permits, and constructed in accordance with the Ontario Building Code;
- g) Outstanding work orders, and/or orders or requests to comply, and/or other charges from the City must be satisfactorily addressed prior to grant and/or tax assistance payment;
- h) City staff, officials, and/or agents of the City may inspect any property that is the subject of an application for any of the financial incentive programs offered by the City; and,
- i) The total of all grants, loans and tax assistance provided in respect of the particular lands and buildings of an applicant under the programs contained in this CIP shall not exceed the cost of rehabilitating said lands and buildings.



5.3 Environmental Study Grant Program

5.3.1 Purpose

The purpose of the Environmental Study Grant Program is to promote the undertaking of environmental studies so that more and better information is available with respect to the type of contamination and potential remediation costs on brownfield properties.

5.3.2 Description

A Phase I Environmental Site Assessment (ESA) has become a standard requirement of most financial institutions and a Phase I ESA does not provide detailed information with respect to the type of contamination and cost of remediation, Phase I ESA's are not eligible for funding under this program. To be eligible to apply for the Environmental Study Grant Program, a Phase I ESA must have been completed on the property and must show that the property is suspected of environmental contamination.

The Environmental Study Grant Program will provide a matching grant of 50% of the cost of an eligible environmental study to a maximum of:

- a) \$12,500 per study;
- b) two studies per property/project;
- c) \$20,000 per property/project.

Eligible environmental studies include a Phase II ESA, Remedial Work Plan, and a Risk Assessment. Environmental Study Grants will only be offered on eligible properties where there is potential for rehabilitation and/or redevelopment of the property.

Review and evaluation of an application and supporting materials against program eligibility requirements will be done by City staff and a decision on the grant application will be made by City staff. Applications will be processed and approved on a first come, first serve basis, subject to a higher priority being placed on applications for sites where planning approvals are not required or sites where planning applications have been submitted.

Grants approved under this program would be provided to applicants following submission to the City for review of the final completed study with the original invoice, indicating that the study consultants have been paid in full. The grant will be paid on the lesser of a cost estimate provided by the qualified person (consultant) conducting the study or the actual cost of the study. The grant may be reduced or cancelled if the study is not completed, not completed as approved, or if the consultant(s) that conducted the study are not paid. The applicant will agree to provide the City with permission to notify any other subsequent project proponents of the existence of an environmental study or studies.



The Environmental Study Grant Program will commence on or after the date of approval of this Plan by the Minister of Municipal Affairs and Housing and will be offered for an initial period of approximately five (5) years, with an option to extend the program for up to another five (5) years, subject to the availability of funding as approved by City Council.

5.3.3 Requirements

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program requirements, and subject to the availability of funding as approved by City Council:

- a) An application must be submitted to the Municipality prior to the start of any environmental study to which the grant will apply;
- b) If the applicant is not the owner of the property, the applicant must provide written consent from the owner of the property to make the application and conduct the study.
- c) Environmental studies shall be for the purpose of:
 - i) confirming and describing contamination at the site (partial or complete Phase II ESA);
 - ii) developing a plan to remove, treat, or otherwise manage contamination found on the site (Remedial Work Plan/Risk Assessment);
- d) Applicants must complete and submit to the City for review a Phase I ESA that demonstrates that site contamination is likely;
- e) Applications will include:
 - i) a detailed study work plan;
 - ii) a cost estimate for the study; and,
 - iii) a description of the planned redevelopment, including any planning applications that have been submitted/approved;
- f) All environmental studies shall be completed by a "qualified person" as defined by Ontario Regulation 153/04;
- g) All completed environmental studies must comply with the description of the studies as provided in the grant application form;
- h) One (1) electronic and one (1) hard copy of the study findings shall be supplied to the City for review.



5.3.4 Administration

Guidelines for the administration of this program are attached in Appendix D. Appendix D does not form part of this Plan. The Guidelines for administration of this program may be changed from time to time, as required, without amendment to this Plan.

5.4 Brownfields Tax Assistance Program

5.4.1 Purpose

The purpose of the Brownfields Tax Assistance Program is to encourage the remediation and rehabilitation of brownfield sites by providing a freeze of property taxes on a property undergoing remediation and development to assist with payments of the costs of environmental remediation. This program applies only to properties requiring environmental remediation and/or risk assessment/management.

5.4.2 Description

The legislative authority for the Brownfields Tax Assistance Program is established under Sections 365.1 (2) and (3) of the *Municipal Act, 2001* which allows municipalities to pass a bylaw providing tax assistance to an eligible property in the form of a freeze or cancellation of part or all of the taxes levied on that property for municipal (City and Region) and education purposes during the "rehabilitation period" and the "development period" of the property, as defined in Section 365.1 of the *Municipal Act, 2001*.

An "eligible property" for the Tax Assistance Program is a property within the community improvement project area where a Phase II Environmental Site Assessment (ESA) has been conducted, and that as of the date the Phase II ESA was completed, did not meet the required standards under subparagraph 4i of Section 168.4(1) of the *Environmental Protection Act* to permit a Record of Site Condition (RSC) to be filed in the Environmental Site Registry.

"Eligible costs" for the Tax Assistance Program are the costs of any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*. This includes the cost of:

- i) a Phase II ESA, Remedial Work Plan, and Risk Assessment not covered by the Environmental Study Grant Program;
- ii) environmental remediation, including the cost of preparing a RSC;
- iii) placing clean fill and grading;
- iv) installing environmental and/or engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment;
- v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment;



vi) environmental insurance premiums.

In no case will the total amount of tax assistance provided under the Tax Assistance Program exceed the total of these eligible costs.

The tax assistance provided under the Brownfields Tax Assistance Program will cease:

- a) when the total tax assistance provided equals the total eligible costs as specified above; or,
- b) after 5 years for the municipal portion of taxes, and after such time period as is approved by the Minister of Finance for the education portion of taxes; whichever comes first.

As part of the tax assistance provided to the applicant, the City of Niagara Falls may also seek participation from the Regional Municipality of Niagara (Region) in order to provide for a freeze of the municipal (City and Region) taxes. The matching Regional portion of the property taxes to be frozen is subject to approval by Regional Council. The tax assistance provided by the Region may be delivered differently than the tax assistance provided by the City and may be subject to additional conditions. The matching education portion of the property taxes to be frozen is subject to approval by the Minister of Finance, may be provided on a different schedule from the tax assistance provided by the City and the Region, and may be subject to additional conditions.

The property will be subject to passing of a by-law by the City that authorizes the provision of the tax assistance. This by-law will contain conditions required by the City as well as conditions required by the Region and the Minister of Finance. In order for the by-law to apply to Regional taxes, before it is passed by the City, the City must supply a copy of the proposed by-law to Regional Council. Regional Council must by resolution agree that the by-law will also provide for a matching equivalent freeze of Regional property taxes for up to 5 years. In order for the by-law to apply to education property taxes, before it is passed by the City, the by-law must be approved in writing by the Minister of Finance.

Applications will be processed and approved on a first come, first serve basis, subject to a higher priority being placed on sites where planning applications have already been approved or submitted. Review and evaluation of an application and supporting materials against program eligibility requirements will be done by City staff who will then make a recommendation to City Council. The application is subject to approval by City Council or Council's designate. As a condition of approval of an application for Tax Assistance, the property owner must enter into an agreement with the City. This Agreement will specify the terms, duration and default provisions of the tax assistance. This Agreement is also subject to approval by City Council or Council's designate.

The Brownfields Tax Assistance Program will commence on or after the date of approval of this Plan by the Minister of Municipal Affairs and Housing and will be offered for an initial period of approximately five (5) years, with an option to extend the program for up to another five (5)



years, subject to the availability of funding as approved by City Council and the Minister of Finance.

5.4.3 Requirements

Only owners of property within the community improvement project area are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program requirements, and subject to availability of funding as approved by City Council, Regional Council and the Minister of Finance:

- a) An application must be submitted to the City prior to the start of any remediation works to which the tax assistance will apply;
- b) The application must be accompanied by a Phase II ESA prepared by a qualified person that shows that the property does not meet the standards under subparagraph 4i of Section 168.4(1) of the *Environmental Protection Act* to permit a Record of Site Condition (RSC) to be filed in the Environmental Site Registry;
- c) The application must be accompanied by a Phase II ESA, Remedial Work Plan or Risk Assessment prepared by a qualified person that contains:
 - i) an estimate of the cost of actions that will be required to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*; and
 - ii) a work plan and budget for said environmental remediation and/or risk management actions;
- d) As a condition of the application, the City may require the applicant to submit a Business Plan for redevelopment of the property (as applicable), with said Plan to the City's satisfaction;
- e) The property shall be rehabilitated such that the work undertaken is sufficient to at a minimum result in an increase in the assessed value of the property;
- f) The total value of the tax assistance provided under this program shall not exceed total eligible costs. This includes the eligible costs of:
 - i) a Phase II ESA, Remedial Work Plan, and Risk Assessment not covered by the Environmental Study Grant Program;
 - ii) environmental remediation, including the cost of preparing a RSC;
 - iii) placing clean fill and grading;
 - iv) installing environmental and/or engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment;



- v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment;
- vi) environmental insurance premiums;
- g) All property owners participating in this program will be required to enter into an agreement with the Municipality which will specify the terms, duration and default provisions of the tax assistance;
- h) All Tax Assistance Program applications and agreements must be approved by Council or Council's designate;
- i) Should the owner of the property default on any of the conditions in the by-law, the tax assistance provided (plus interest) will become payable to the City, Region and Province;
- j) The owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the City proof that the RSC has been acknowledged by the Ministry of Environment (MOE).

5.4.4 Administration

Guidelines for the administration of this program are attached in Appendix E. Appendix E does not form part of this Plan. The Guidelines for administration of this program may be changed from time to time, as required, without amendment to this Plan.



5.5 Brownfields Rehabilitation Grant Program

5.5.1 Purpose

The purpose of the Brownfields Rehabilitation Grant Program is to encourage the remediation, rehabilitation and adaptive re-use of brownfield sites by providing grants to help pay for additional rehabilitation costs normally associated with brownfield sites.

5.5.2 Description

The Rehabilitation Grant Program will provide a financial incentive in the form of an annual grant for up to ten (10) years to help offset the cost of rehabilitating eligible brownfield properties only where that rehabilitation results in an increase in assessment value and property taxes on these properties. The annual grant available under the Rehabilitation Grant Program will begin when the benefits of the Tax Assistance Program end, provided that final building inspection has taken place, reassessment of the property has taken place, and the property owner has paid the property taxes in full for the year in which the grant is to be provided.

"Eligible costs" for the Rehabilitation Grant Program include the costs of:

- i) a Phase II ESA, Remedial Work Plan, and Risk Assessment not covered by the Environmental Study Grant Program or the Brownfields Tax Assistance Program;
- ii) environmental remediation, including the cost of preparing a RSC, not covered by the Brownfields Tax Assistance Program;
- iii) placing clean fill and grading not covered by the Brownfields Tax Assistance Program;
- iv) installing environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment, not covered by the Brownfields Tax Assistance Program;
- v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment, not covered by the Brownfields Tax Assistance Program;
- vi) environmental insurance premiums not covered by the Brownfields Tax Assistance Program;
- vii) demolishing buildings;
- viii) building rehabilitation and retrofit works;
- ix) upgrading on-site infrastructure including water services, sanitary sewers and stormwater management facilities;
- x) constructing/upgrading off-site infrastructure including roads, water services, sanitary sewers, stormwater management facilities, electrical and gas utilities, where this is required to permit remediation, rehabilitation and/or adaptive reuse of the property that is subject of the application.

In no case will the total amount of the grant provided under the Brownfields Rehabilitation Grant Program exceed the total of these eligible costs.



The annual grant available under the Rehabilitation Grant Program will be offered as a tax-increment based grant on a "pay-as-you go" basis. The developer will initially pay for the entire costs of rehabilitation. When the City receives the incremental property taxes that result from the rehabilitation project, the City will reimburse the applicant in the form of an annual grant equivalent to 80% of the increase in municipal (City and Regional) taxes that result from the project for a period of up to ten (10) years, or up to the time when total grant payments equal total eligible costs, whichever comes first.

As shown in Figure 3, based on the Critical Needs Analysis, duration of the grant and eligible costs are dependent on the location of the property within the community improvement project area and whether or not the property requires environmental remediation. Each year, the property owner must first pay taxes owing, and then the approved applicant will receive the grant.

Figure 3 Brownfields Rehabilitation Grant Program

Location ¹	Property Status		
	Property requires environmental remediation	Property does not require environmental remediation	
Area 1 - Pilot	Duration = up to 10 years	Duration = up to 5 years	
Project Area ²	Eligible costs = items i) $-x$) above	Eligible costs = items vii) – x) above	
Area 2 - General	Duration = up to 7 years	Duration = up to 5 years	
Areas for	Eligible costs = items i) $-x$) above	Eligible costs = items vii) – x) above	
Community			
Improvement ²			
Area 3 – Rest of	Duration = up to 7 years	No grant available	
Urban Area ²	Eligible costs = items i) $-x$) above		

¹ Eligible properties must be located within the designated community improvement project area (see Appendix C).

In order to avoid double dipping between the Revitalization Grant Program available under the Downtown Niagara Falls CIP and the Brownfields Rehabilitation Grant Program available under this CIP, application can be made for only one of these grant programs, per property, site or project.

Applications will be processed and approved on a first come, first serve basis. Review and evaluation of an application and supporting materials against program eligibility requirements will be done by City staff who will then make a recommendation to City Council. The application is subject to approval by City Council or Council's designate. As a condition of approval of an application for a Rehabilitation Grant, the applicant must enter into an agreement with the City. This Agreement will specify the terms, duration and default provisions of the grant. This Agreement is also subject to approval by City Council or Council's designate.

² See Appendix C.



The amount of municipal (City and Region) taxes ("base rate") will be determined before commencement of the project. The increase in the municipal portion of real property taxes (or "municipal tax increment") will be calculated as the difference between the base rate and the amount of municipal (City and Region) taxes levied as a result of re-valuation by the Municipal Property Assessment Corporation (MPAC) following project completion. The amount of the grant will be recalculated every year based on the municipal tax increment every year.

The Brownfields Rehabilitation Grant Program will commence on or after the date of approval of this Plan by the Minister of Municipal Affairs and Housing and will be offered for a period of approximately ten (10) years, subject to the availability of funding as approved by City Council.

5.5.3 Requirements

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program requirements, and subject to the availability of funding as approved by City Council:

- a) An application must be submitted to the City prior to the start of any rehabilitation works to which the grant will apply;
- b) Such application shall include reports, plans, estimates, contracts and other details as may be required to satisfy the City with respect to the eligible costs and conformity of the project with the CIP;
- c) If the application includes costs for environmental remediation, the application must be accompanied by a Phase II ESA, Remedial Work Plan or Risk Assessment prepared by a qualified person that contains:
 - i) an estimate of the cost of actions that will be required to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act; and
 - ii) a work plan and budget for said environmental remediation, and/or risk management actions;
- d) As a condition of the grant application, the City may require the applicant to submit a Business Plan, with said Plan to the City's satisfaction;
- e) The property shall be rehabilitated such that the amount of work undertaken is sufficient to at a minimum result in an increase in the assessed value of the property;
- f) The total value of the grant provided under this program shall not exceed total eligible costs. This includes the costs of:



- i) a Phase II ESA, Remedial Work Plan, and Risk Assessment not covered by the Environmental Study Grant Program or the Brownfields Tax Assistance Program;
- ii) environmental remediation, including the cost of preparing a RSC, not covered by the Brownfields Tax Assistance Program;
- placing clean fill and grading not covered by the Brownfields Tax Assistance Program;
- iv) installing environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment, not covered by the Brownfields Tax Assistance Program;
- v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment, not covered by the Brownfields Tax Assistance Program;
- vi) environmental insurance premiums not covered by the Brownfields Tax Assistance Program;
- vii) demolishing buildings;
- viii) building rehabilitation and retrofit works;
- ix) upgrading on-site infrastructure, including water services, sanitary sewers and stormwater management facilities;
- x) constructing/upgrading off-site infrastructure including roads, water services, sanitary sewers, stormwater management facilities, electrical and gas utilities, where this is required to permit remediation, rehabilitation and/or adaptive reuse of the property that is subject of the application.
- g) All applicants participating in this program will be required to enter into an agreement with the City which will specify the terms of the grant;
- i) All Rehabilitation Grant Program applications and agreements must be approved by City Council or City Council's designate;
- j) If a building(s) erected on a property participating in this program is demolished before the grant period expires, the remainder of the monies to be paid out under the grant shall be forfeited;
- k) The owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the City proof that the RSC has been acknowledged by the Ministry of Environment (MOE).

5.5.4 Administration

Guidelines for the administration of this program are attached in Appendix F. Appendix F does not form part of this Plan. The Guidelines for administration of this program may be changed from time to time, as required, without amendment to this Plan.



6.0 Brownfields Development Charge Exemption Program

6.1 Purpose

The purpose of the Brownfields Development Charge Exemption Program is to promote brownfield redevelopment and Smart Growth on brownfield sites by providing a major economic catalyst in the form of an upfront reduction of the often large development charges that must be paid when a brownfield property is redeveloped and additional residential units and/or commercial space is created.

6.2 Description

Most of the potential brownfield properties in the Community Improvement Project Area, i.e., the urban area, are already serviced with adequate water and sewer services and roads. Large scale redevelopment of brownfield sites may result in incremental increases in demand for both hard and soft services. However, it is recognized that the costs to provide these incremental services will be substantially lower than to provide new infrastructure and other services to greenfield areas. Therefore, there is a financial rationale for a lower development charge for brownfield redevelopment in the urban area.

The exemption of development charges has been shown to be a major incentive to promote brownfield redevelopment in other municipalities. In an effort to promote new residential and commercial development in downtowns, built-up urban areas, and brownfield areas, the Region passed a development charge waiver/exemption program in 2002 (Regional Report CSD 151-2002/DPD 131-2002). This was followed in 2003 with a report that outlined the administrative procedures for implementation of the development charge waiver/exemption program (Regional Report CSD 39-2003/DPD 48-2003).

The Region's Development Charge Waiver/Exemption Program exempts a development from 75% of the Regional development charge if it is in a downtown, surrounding built-up urban area or brownfield area. Up to an additional 25% development charge exemption is provided depending on the inclusion of Smart Growth principles into the proposed development. Eligibility for the regional development charge exemption is determined by a Regional Development Charges Task Force.

While the exemption of local municipal development charges is not required by the Region as a condition of the Regional program, it is encouraged by the Region. Combined with the Regional development charge exemption, an exemption for City development charges on brownfield sites will likely prove to be a significant upfront financial incentive to brownfield developers.



The City's proposed Brownfields Development Charge Exemption Program will require changes to the City's Development Charges By-law to be implemented, and therefore implementation of this Program does not fall within the parameters of Section 28 of the *Planning Act*. Therefore, this section does not form part of this CIP and the Brownfields Development Charge Exemption Program will be forwarded to Council as a separate recommendation and implementing by-law.

The Brownfields Development Charge Exemption Program will provide a financial incentive in the form of a reduction of development charges payable equal to the cost of environmental remediation (Items f)i) – vi) in Section 5.5.3 of this CIP) approved under the Brownfields Rehabilitation Grant Program, up to 75% of the City development charge payable with respect to development on a brownfield site. The applicant with an approved application and agreement for a property under the Brownfields Rehabilitation Grant Program will have the option of applying the costs of environmental remediation (Items f)i) – vi) in Section 5.5.3 of this CIP) against the development charges payable for that property (after any demolition charge credits are applied). If the applicant chooses to exercise this option, the costs of remediation applied against the development charges payable (development charges exempted) will be deducted from the Brownfields Rehabilitation Grant to be paid.

Up to an additional 25% City development charge reduction will be provided depending on the inclusion of Smart Growth principles into the proposed development utilizing the same eligibility requirements as the Region.

The Development Charge Exemption Program is not an application based program. Therefore, an application for a development charge exemption at the time of building permit application will not be required. The development charge exemption will be applied at the time development charges are normally paid, i.e., building permit.

The Brownfields Development Charge Exemption Program will commence on or after the date of approval of enabling amendments to the City of Niagara Falls Development Charges By-law by Council. The Brownfields Development Charge Exemption Program will be offered for an initial period of approximately five (5) years, with the option to extend the program for up to another five (5) years, subject to the availability of funding as approved by City Council.

6.3 Requirements

All owners of properties (and their assignees) within the Community Improvement Project Area are eligible for the Brownfields Development Charge Exemption Program, subject to meeting the general program requirements, the following program requirements, and availability of funding as approved by Council:

a) All properties considered eligible for the Brownfields Development Charge Exemption Program must have an approved Rehabilitation Grant Program Application and Agreement in place;



- b) Only properties where an RSC has been filed in the Environmental Site Registry for the proposed use will be eligible for the Brownfields Development Charge Exemption Program;
- e) As a condition of development charge exemption, the City may require the applicant to submit for approval professional design/architectural drawing(s) which shall be in conformity with any municipally issued urban design guidelines, as well as impact studies such as traffic studies and studies of microclimatic conditions (sun, shadow, wind);
- d) Eligible costs include only the costs of:
 - i) a Phase II ESA, Remedial Work Plan, and Risk Assessment not covered by the Environmental Study Grant Program or the Brownfields Tax Assistance Program;
 - ii) environmental remediation, including the cost of preparing a RSC, not covered by the Brownfields Tax Assistance Program;
 - placing clean fill and grading not covered by the Brownfields Tax Assistance Program;
 - iv) installing environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment, not covered by the Brownfields Tax Assistance Program;
 - v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment, not covered by the Brownfields Tax Assistance Program;
 - vi) environmental insurance premiums not covered by the Brownfields Tax Assistance Program;
- e) Existing and proposed land uses must be in conformity with applicable Official Plan(s), Zoning By-law and other planning requirements at both the local and regional level;
- f) All improvements made to properties shall be made pursuant to a building permit, and constructed in accordance with the Ontario Building Code and all applicable zoning requirements and planning approvals;
- g) Outstanding work orders and/or orders or requests to comply from the City must be satisfactorily addressed prior to development charge exemption;

6.4 Administration

A separate report to Council will be developed to provide further details with respect to the implementation and administration of this program, including the necessary amendments to the Development Charges By-law.



7.0 Brownfields Municipal Leadership Strategy

7.1 Purpose

The purpose of the Brownfields Municipal Leadership Strategy is to set the framework for the City to better communicate with the development and business community and to provide better support and leadership on brownfield redevelopment projects. The public sector actions contained in the Brownfields Municipal Leadership Strategy are designed to act as catalysts to leverage private sector investment on brownfield sites.

7.2 Description

As per Sections 28(3) and 28(6) of the *Planning Act*, once a Community Improvement Project Area has been designated and a CIP is approved, a municipality may

- a) acquire, hold, clear, grade or otherwise prepare land for community improvement;
- b) construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan; and,
- c) sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan.

Therefore, the City may engage in any of these activities as part of its Brownfields Municipal Leadership Strategy in order to promote the undertaking of targeted projects that are identified and approved by the City.

The Brownfields Municipal Leadership Strategy is a general program of municipal property acquisition, investment and involvement in pilot projects with the private sector to remediate and rehabilitate brownfield sites in the City of Niagara Falls. Pilot projects can showcase the use of innovative tools such as new environmental remediation technologies, the use of environmental insurance, and/or energy efficient building technologies. The City may also issue Requests for Proposals (RFP's) on City owned brownfield sites, failed tax sale properties, and/or participate in public/private partnerships to clean up and redevelop publicly and privately owned brownfield sites.

Authority under the Brownfields Municipal Leadership Strategy will be exercised in order that the rehabilitation of land and/or buildings may occur in conformity with this Plan. Actions undertaken by the City pursuant to the Brownfields Municipal Leadership Strategy will be subject to approval by City Council. Funding sources for the Brownfields Municipal Leadership Strategy are outside the scope of the *Planning Act*, and do not require the approval of the Minister of Municipal Affairs and Housing.

The Brownfields Municipal Leadership Strategy will be funded from the 20% tax increment that is retained by the City as a result of properties participating in the Brownfields Rehabilitation Grant Program, and any initial seed funding allocated by Council. Said funding will be placed in



a Brownfields Municipal Leadership Account. As funds accrue in this account, the City may use these funds to:

- i) conduct environmental site assessments on municipally owned properties that are potentially contaminated;
- ii) conduct environmental site assessments on properties controlled or acquired through the tax arrears sales process and conduct requests for proposals (RFPs) on failed tax sale brownfield properties;
- remediate, rehabilitate, reuse and improve municipally owned brownfield properties, including pilot projects to showcase innovative remediation approaches and technologies, the use of tools such as environmental insurance, and innovative energy efficiency technologies;
- iv) acquire and remediate, rehabilitate, reuse and improve key privately owned brownfield sites;
- v) fund brownfield pilot projects (public-private partnerships) to remediate, rehabilitate, reuse and improve redevelop privately and publicly owned brownfield properties;
- vi) educate and inform the public about the importance of brownfield redevelopment; and,
- vii) implement a Marketing Strategy to regularly market the programs available in this CIP and brownfield redevelopment opportunities available in Niagara Falls to brownfield market makers such as property owners, developers, potential end users, and support professionals both within and outside the city.

The Brownfields Municipal Leadership Account will function as a revolving fund with any profits from the City's brownfields project activities deposited back into the fund. The allocation of the 20% tax increment assistance to the Brownfields Municipal Leadership Account will end when the Brownfields Rehabilitation Grant Program ends. At that time, the City may return funds remaining in the Brownfields Municipal Leadership Account to general revenues or continue to utilize these funds for leadership activities until the Brownfields Municipal Leadership Account is exhausted.

The Municipal Brownfield Leadership Strategy will also provide funding to allow the City of Niagara Falls to access brownfield feasibility study and remediation funding available from the Federation of Canadian Municipalities (FCM) Green Municipal Funds (GMF). Any municipal government in Canada or its private or public sector partners can apply for funding from the GMF. The City of Niagara Falls was successful in obtaining a grant from FCM for the preparation of this Brownfields CIP. An appropriately funded Brownfields Municipal Leadership Strategy will allow the City of Niagara Falls the financial means to leverage FCM funding to help implement this CIP.



7.3 Guidelines for Identifying Priority Sites and Projects

When identifying and evaluating sites for acquisition, partnering or any of the other municipal leadership actions described in this Plan, the City should be strategic in its approach. Therefore, it is recommended that the City utilize the following criteria in evaluating and selecting sites and projects for purposes of the Brownfields Municipal Leadership Strategy:

- i) The site has a good or excellent location with high visibility and accessibility to major transportation routes;
- ii) The site is commercially viable and marketable;
- iii) The property is located in one of the general areas for community improvement, especially the Pilot Project Area or the Downtown Community Improvement Project Area;
- iv) The site is a "stigmatized" site, the cleanup and redevelopment of which will likely act as a catalyst for community improvement of the neighbourhood or employment area in which the site is located;
- v) The site is designated under the Ontario Heritage Act or exhibits significant heritage and architectural characteristics;
- vi) The site is surrounded in whole or in part by residential or other sensitive land uses;
- vii) The site could be a "destination" site drawing large numbers of visitors/shoppers/diners and this would promote additional revitalization in the area where the site is located;
- viii) The proposed project will result in the leveraging of significant private sector investment resulting in a significant increase in property tax revenues, employment and/or residential opportunities;
- ix) The proposed project will showcase innovative remediation approaches, technologies, risk assessment approaches and/or Smart Growth design and building principles.



8.0 Monitoring Program

8.1 Purpose

The purpose of the Monitoring Program is to monitor the performance and impact of the financial incentive programs and the Municipal Leadership Strategy and to utilize this information to make adjustments to the incentive programs and the Municipal Leadership Strategy in order to help ensure that the goals of the Brownfield Redevelopment Strategy are successfully accomplished.

8.2 Description

Figure 4 presents a list of the variables that should be monitored on an individual project and aggregate basis for the financial incentive programs and Brownfields Municipal Leadership Strategy. As well, the feedback received from users of the financial incentive programs should also be considered. It is important that the results of the monitoring program be utilized to help ensure that the incentive programs and the Brownfields Municipal Leadership Strategy be effective for both small and large brownfield projects.

Progress on implementation and the empirical results of the incentive programs and the Brownfields Municipal Leadership Strategy should be reported on a regular basis (at least annually) to City Council. These monitoring results should also be used to recommend any adjustments that should be made to the terms and requirements of the financial incentive programs in order to improve these programs.

8.3 Program Adjustments

The feedback from monitoring of the CIP may lead to minor revisions to programs contained in this CIP. Therefore, the City may periodically review and adjust the terms and requirements of any of the programs contained in this Plan, or discontinue any of the programs contained in this Plan, without amendment to the Plan. Such minor changes or discontinuation of programs will be provided to the Minister of Municipal Affairs and Housing for information purposes only. Increases in program funding or the addition of any new programs to this Plan will require a formal amendment in accordance with Section 28 of the *Planning Act*. Any formal amendments to this Plan will require approval by the Minister of Municipal Affairs and Housing, and shall be undertaken in accordance with Section 28 of the *Planning Act*.



Figure 4 Variables to be Monitored

Program	Variable
1) Environmental	- Number of applications
Study Grant	- Type of ESA (Phase II, Remedial Work Plan or Risk Assessment)
Program	- Cost of study
	- Amount of Environmental Study Grant
	- Number of Environmental Study Grant Applications leading to Tax Assistance,
	Rehabilitation Grant Applications and/or actual environmental remediation and
	rehabilitation projects
2) Brownfields	- Number of applications
Tax Assistance	- Increase in assessed value of participating properties
Program	- Estimated and actual amount of municipal and education tax assistance provided
	- Hectares/acres of land remediated and redeveloped
	- Industrial/commercial space (sq.ft.) rehabilitated or constructed
	- Residential units/sq.ft. rehabilitated or constructed
	- \$ Value of private sector investment leveraged
	- Jobs created/maintained
	- Number of program defaults
3) Brownfields	- Number of applications
Rehabilitation	- Increase in assessed value of participating properties
Grant Program	- Increase in municipal and education property taxes of participating properties
	- Estimated and actual amount of tax increment financing grants provided
	- Hectares/acres of land remediated and redeveloped
	- Industrial/commercial space (sq.ft.) rehabilitated or constructed
	- Residential units/sq.ft. rehabilitated or constructed
	- \$ Value of private sector investment leveraged
	- Jobs created/maintained
	- Number of program defaults
4) Brownfields	- Amount of Development Charges Waived (City and Regional)
Development	- Increase in assessed value of participating properties
Charge	- Increase in municipal and education property taxes of participating properties
Exemption	- Hectares/acres of land remediated and redeveloped
Program	- Industrial/commercial space (sq.ft.) constructed
	- Residential units/sq.ft. constructed
	- \$ Value of private sector investment leveraged
	- Jobs created/maintained
5) Brownfields	- Funding amount by project type and purpose
Municipal	- Amount of other government funding leveraged
Leadership	- Increase in municipal and education property taxes of participating properties
Strategy	- Estimated and actual amount of tax increment financing grants provided
	- Hectares/acres of land remediated and redeveloped
	- Industrial/commercial space (sq.ft.) rehabilitated or constructed
	- Residential units/sq.ft. rehabilitated or constructed
	- \$ Value of private sector investment leveraged
	- Jobs created/maintained
	- Number of program defaults



9.0 Conclusion

This Brownfields CIP is a comprehensive framework containing a set of programs that are designed to improve economic opportunities and environmental conditions in the Community Improvement Project Area and achieve the community improvement goals of this Plan. The goals of this CIP are to:

- a) Stimulate and leverage private and public sector investment to promote the remediation, rehabilitation, adaptive re-use, and overall improvement of brownfield sites throughout the City of Niagara Falls;
- b) Promote Smart Growth in the City of Niagara Falls and the Region of Niagara, including the reduction of urban sprawl and its related costs;
- c) Improve the physical and visual quality of the City;
- d) Increase tax assessment and property tax revenues for the City of Niagara Falls, the Regional Municipality of Niagara, and the Province of Ontario;
- e) Improve environmental health and public safety within the City;
- f) Retain and increase employment opportunities in the City;
- g) Increase community awareness of the economic, environmental and social benefits of brownfield redevelopment; and,
- h) Utilize municipal resources to demonstrate leadership in the remediation, rehabilitation, adaptive re-use, and overall improvement of brownfield sites throughout the City of Niagara Falls and the Region of Niagara.

The programs contained in this Plan represent a comprehensive framework designed to overcome the impediments and take advantage of the opportunities identified for brownfield redevelopment in Niagara Falls in the Critical Needs Analysis. The approval of this Plan will provide the legislative basis and context for this comprehensive set of programs, and will foster the remediation, rehabilitation and adaptive reuse of brownfields in the City of Niagara Falls.



10.0 References

Deason, J.P., Sherk, W.G. and G. A. Carroll. 2001. "Public Policies and Private Decisions Affecting the Redevelopment of Brownfields: An Analysis of Critical Factors, Relative Weights and Areal Differentials", submitted to the U.S. Environmental Protection Agency, Washington, D.C., The George Washington University.

Environment Canada. 1998. "Rising Property Values on Hamilton's West Harbourfront: Effects of Environmental Restoration on Real Estate Prices", adapted from Zegarac, M. and T. Muir (1998). "The Effects of Rap Related Restoration and Parkland Development on Residential Property Values: A Hamilton Harbour Case Study. Burlington, Ontario, Environment Canada.

Hara Associates. 2003. "Market Failures and Optimal Use of Brownfield Redevelopment Policy Instruments", prepared for the National Roundtable on the Environment and the Economy. Ottawa, Ontario.

National Roundtable on the Environment and the Economy (NRTEE). 2003. "Cleaning Up the Past, Building the Future – A National Brownfield Redevelopment Strategy for Canada". Ottawa, Ontario.

Regional Analytics. 2002. "A Preliminary Investigation into the Economic Impact of Brownfield Redevelopment Activities in Canada", prepared for the National Roundtable on the Environment and the Economy. Burlington, Ontario.

.



Appendix A

City of Niagara Falls Official Plan Part 4, Section 11 Community Improvement Policies



PART 4

SECTION 11 – COMMUNITY IMPROVEMENT

PREAMBLE

The Community Improvement provisions of the Planning Act give Council a range of tools to proactively stimulate community improvement, rehabilitation and revitalization through the preparation and adoption of community improvement plans for designated community improvement project areas. It is the intent of Council to maintain and promote an attractive and safe living and working environment through community improvement. Depending on the purpose for which it is designated, a community improvement project area may be the entire urban area of the City of Niagara Falls, as amended from time to time, or any part of the urban area. Once a community improvement plan has been adopted by Council and approved by the Province, Council may undertake a wide range of actions for the purpose of carrying out the community improvement plan, including offering incentives to stimulate or leverage private and/or public sector investment.

POLICIES

- 11.1 Council shall promote an attractive, well maintained and safe living and working environment through community improvement.
- 11.2 Community improvement will be accomplished through the:
 - ongoing maintenance, rehabilitation, redevelopment and upgrading of areas characterized by deficient/obsolete/deteriorated buildings, land use conflicts, deficient municipal hard services, social, community or recreational services, or economic instability;
 - 11.2.2 establishment of programs to encourage private sector redevelopment and rehabilitation that addresses identified economic development, land development, environmental, housing, and/or social development issues/needs;
 - designation by by-law of Community Improvement Project Areas, the boundary of which may be the entire urban area of the City of Niagara Falls, or any part of the urban area of the City of Niagara Falls, as defined in this Plan and as amended from time to time, and,
 - 11.2.4 preparation, adoption and implementation of Community Improvement Plans, pursuant to the Planning Act.
- 11.3 The following criteria should be considered when designating a Community Improvement Project Area:



- buildings, building facades, and/or property, including buildings, structures and lands of heritage and/or architectural significance, in need of preservation, restoration, repair, rehabilitation, or redevelopment;
- 11.3.2 non-conforming, conflicting, or incompatible land uses or activities;
- 11.3.3 deficiencies in physical infrastructure including but not limited to the sanitary sewer system, storm sewer system, and/or watermain system, roads, parking facilities, sidewalks, curbs, streetscapes and/or street lighting;
- 11.3.4 poor road access and/or traffic circulation;
- deficiencies in community and social services including but not limited to public open space, municipal parks, neighbourhood parks, indoor/outdoor recreational facilities, and public social facilities;
- 11.3.6 inadequate mix of housing types;
- 11.3.7 brownfield sites;
- 11.3.8 poor overall visual quality, including but not limited to, streetscapes and urban design;
- 11.3.9 high commercial or industrial vacancy rates and the general underutilization of buildings and land;
- 11.3.10 existing or potential business improvement areas;
- 11.3.11 vacant lots and underutilized properties and buildings which have potential for infill, redevelopment or expansion to better utilize the land base;
- 11.3.12 shortage of land to accommodate widening of existing rights-of-way, building expansion, parking and/or loading facilities;
- 11.3.13 other barriers to the repair, rehabilitation or redevelopment of underutilized land and/or buildings; and,
- 11.3.14 any other environmental, social or community economic development reasons.
- 11.4 Priority for the designation of Community Improvement Project Areas and the preparation and adoption of Community Improvement Plans shall be given to those areas:



- 11.4.1 shown as General Areas for Community Improvement in Appendix V of this Plan; and/or
- 11.4.2 where the greatest number of conditions as established in Section 11.3 are present; and/or,
- 11.4.3 where one or more of the conditions as established in Section 11.3 is particularly acute; and/or,
- 11.4.4 where one or more of the conditions as established in Section 11.3 exists across the urban area of the city.
- 11.5 Community Improvement Plans shall be prepared and adopted which:
 - encourage the renovation, repair, rehabilitation, remediation, redevelopment or other improvement of lands and/or buildings;
 - encourage the preservation, restoration, adaptive reuse and improvement of historical or architecturally significant buildings;
 - 11.5.3 encourage residential and other types of infill and intensification;
 - encourage the construction of a range of housing types and the construction of affordable housing;
 - upgrade and improve municipal services and public utilities such as sanitary sewers, storm sewers, watermains, roads and sidewalks;
 - 11.5.6 improve traffic circulation;
 - 11.5.7 encourage off-street parking and provide municipal parking facilities where feasible and appropriate;
 - promote the ongoing viability and revitalization of the downtown and other general areas requiring community improvement;
 - 11.5.9 support existing or potential business improvement areas;
 - 11.5.10 improve environmental conditions;
 - 11.5.11 improve social conditions;
 - 11.5.12 promote cultural development;



- 11.5.13 facilitate and promote community economic development; and,
- 11.5.14 improve community quality, safety and stability.
- 11.6 In order to implement Community Improvement Plans within designated Community Improvement Project Areas, Council may undertake a range of actions, including:
 - 11.6.1 the municipal acquisition of land and/or buildings within Community Improvement Project Areas, and the subsequent;
 - 11.6.1.1 clearance, grading, or environmental remediation of these properties;
 - repair, rehabilitation, construction or improvement of these properties;
 - sale, lease, or other disposition of these properties to any person or governmental authority;
 - 11.6.1.4 other preparation of land or buildings for community improvement.
 - 11.6.2 provision of public funds such as grants, loans and other financial instruments;
 - 11.6.3 application for financial assistance from senior level government programs;
 - participation in senior level government programs that provide assistance to private landowners for the purposes of community improvement;
 - 11.6.5 provision of information on municipal initiatives, financial assistance programs, and other government assistance programs;
 - 11.6.6 support of heritage conservation through the Ontario Heritage Act and the Niagara Falls Municipal Heritage Committee;
- 11.7 All developments participating in programs and activities contained within Community Improvement Plans shall conform with the policies contained in this Plan, the Zoning-Bylaw, Maintenance and Occupancy By-laws, and all other related municipal policies and by-laws.
- 11.8 Council shall be satisfied that its participation in community improvement activities will be within the financial capabilities of the City.



Appendix B

General Areas for Community Improvement Appendix V to the Official Plan





Appendix C

Community Improvement Project Area





Appendix D

Environmental Study Grant Program Administration

(This appendix does not form an operative part of the Community Improvement Plan)

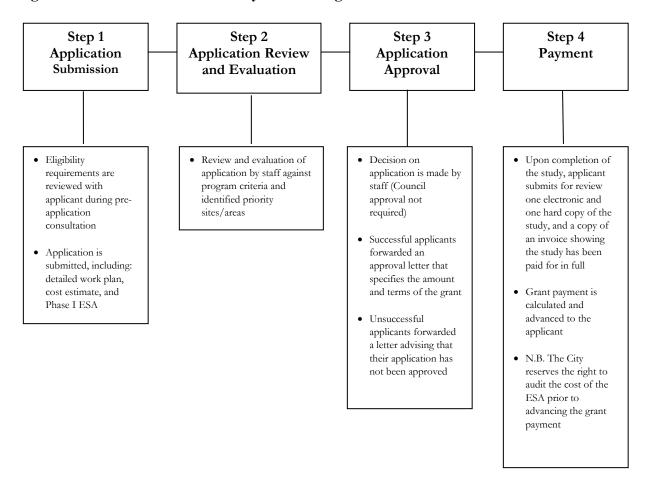


Applications shall be submitted to City and shall include a detailed work plan and budget for the required study. Applications must be accompanied by a Phase I ESA that demonstrates site contamination is likely. Program eligibility will be determined by City staff and applications will be approved by City staff only if they meet the criteria specified in this Plan and any other requirements of the City.

If an application is approved, the applicant will be sent a letter that outlines the terms and the amount of the grant. The grant amount will be based on 50% of the estimated cost of the study (excluding G.S.T) or 50% of the actual cost of the study (excluding G.S.T), whichever is less. If an application is not approved, the applicant will also be advised by letter.

Upon receipt of one (1) hard copy and (1) electronic copy of the final study report with the original invoice indicating that the study consultants have been paid in full, a cheque in the mount of the approved grant will be issued to the applicant.

Figure D-1 Environmental Study Grant Program Administration





Appendix E

Brownfields Tax Assistance Program Administration

(This appendix does not form an operative part of the Community Improvement Plan)



Applicants will be required to have a pre-application consultation meeting with City staff in order to determine program eligibility, proposed scope of work, and project timing.

Applications shall be submitted to the City and shall be accompanied by a Phase II ESA and/or Remedial Work Plan and/or Risk Assessment prepared by a qualified person that identifies and details estimated eligible costs and a work plan and budget for the proposed remediation. The City may also require submission of a Business Plan.

Before accepting an application, City staff will screen the application. If the application clearly does not meet the program requirements, the application will not be accepted. Acceptance of the application by the City in no way implies approval of the tax assistance. Applications will be recommended for approval only if they meet the requirements specified in this Plan and any other requirements of the City.

The actual pre-project education and municipal property taxes and estimated post-project assessed value and applicable tax rates will be used to calculate the estimated post-project property taxes, increase in municipal property taxes, education property taxes, and the estimated maximum amount of municipal and education property tax assistance to be provided during the rehabilitation period and the development period (as defined under Section 365.1 (1) of the *Municipal Act*, 2001).

Where City staff will be recommending approval of an application for Brownfields Tax Assistance, City staff will prepare the following documents:

- i) A recommendation report to Council or Council's designate on the Brownfields Tax Assistance Program Application;
- ii) a Brownfields Tax Assistance Program Agreement;
- iii) a draft by-law to authorize municipal and education tax assistance under Section 365.1 of the *Municipal Act, 2001*; and
- iv) an application to the Minister of Finance for matching education property tax assistance.

Items i) – iii) above will be forwarded to Regional Council and Regional Council will be requested by resolution, to agree to the matching Regional tax assistance.

Once the City is in receipt of a Regional Council resolution agreeing to matching Regional tax assistance, City staff will forward this Regional Council resolution and Items i) - iv) above to the Minister of Finance. The matching education portion of the property taxes to be frozen is subject to approval by the Minister of Finance. Once written approval of the by-law is received from the Minister of Finance, any conditions or restrictions specified by the Minister will be included in the by-law.



The Minister of Finance is currently prepared to authorize municipal applications for matching education property tax assistance for a maximum of three (3) years from the start date of the remediation. Applications seeking matching education property tax assistance for a longer period will not be approved by the Minister of Finance unless there are exceptional circumstances warranting an extended period of matching tax assistance. The City and Region may continue to offer municipal tax assistance beyond the three years up to the time period specified for City and Regional tax assistance in the by-law, or when the total tax assistance provided equals the total eligible costs, whichever comes first. The matching education property tax assistance may be provided on a different schedule from the tax assistance provided by the City and the Region and may be subject to additional conditions.

The recommendation report, the Agreement (dated and signed by the property owner), and the by-law will then be forwarded to Council (or Council's designate) for consideration. Once Council (or Council's designate) approves the Tax Assistance Program Application and the Agreement, and adopts the by-law, the agreement will be executed by the authorized City officials and a copy will be provided to the property owner. A copy of the by-law, including all information prescribed by Ontario Regulation 274/04 will be forwarded to the Minister of Municipal Affairs and Housing and the Minister of Finance within 30 days of passing of the by-law by the City.

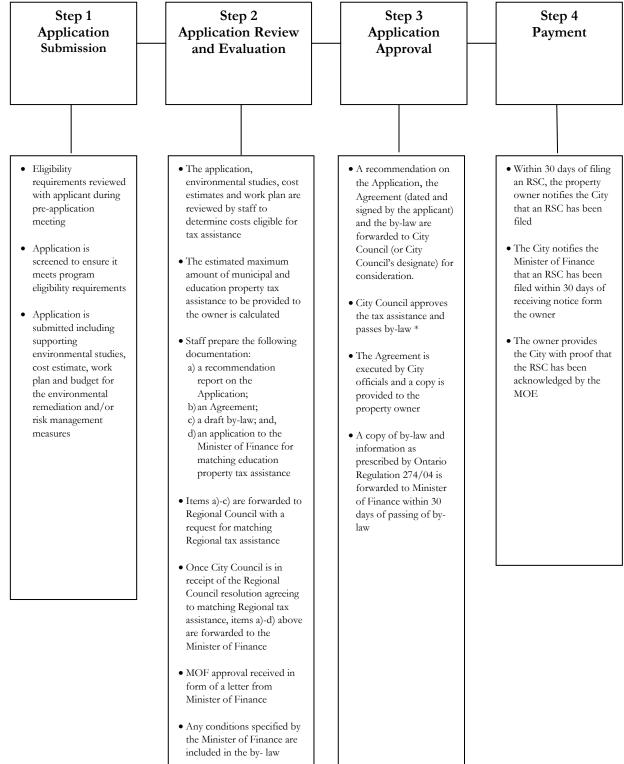
Where the Minister of Finance has approved an application for matching education property tax assistance, the municipal property tax assistance and education property tax assistance will begin when City Council passes the Minister of Finance approved by-law for tax assistance.

Once remediation of the property is complete, the property owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the City proof that the RSC has been acknowledged by the Ministry of Environment (MOE). The owner shall, within 30 days of filing the RSC, notify the City of the filing, and within 30 days after receiving said notice, the City shall advise the Minister of Finance of the filing of the RSC.

The Ministry of Finance's tax assistance will be given as a tax deferral followed by cancellation to the landowner when conditions are met. During the deferral and cancellation stage the landowner would not be required to pay the education taxes that have been deferred or cancelled. The City and Region have the option of providing conditional tax assistance, which means that the tax assistance will not be provided until the landowner has first met municipal (City and Region) conditions related to the rehabilitation and development of the lands. Under a conditional tax assistance scenario, the City and Region have decided to provide no deferral, only cancellation when conditions are met. The full municipal taxes are payable and collected until these conditions have been satisfied. Once the conditions have been satisfied the City and Region would provide the accumulated tax assistance to the landowner as identified in the by-law.







The owner may elect to have the by-law passed after an RSC has been filed and acknowledged and the property has been redeveloped in order to maximize the total amount of municipal and education property taxes frozen over the period of time specified in the by-law.



Appendix F

Brownfields Rehabilitation Grant Program Administration

(This appendix does not form an operative part of the Community Improvement Plan)



Applicants will be required to have a pre-application consultation meeting with City staff in order to determine program eligibility, proposed scope of work, and project timing.

Applications shall be submitted to the City and shall include a detailed work plan and cost estimate for the proposed eligible works. The application will be accompanied by a Phase II ESA and/or Remedial Work Plan and/or Risk Assessment prepared by a qualified person that identifies and details estimated eligible costs and a work plan and budget for the proposed remediation OR proof that an RSC for the proposed use of the property has been acknowledged by the MOE. The City may also require submission of a Business Plan.

Before accepting an application, City staff will screen the application. If the application clearly does not meet the program requirements, the application will not be accepted. Acceptance of the application by the City in no way implies approval of the grant. Applications will be recommended for approval only if they meet the requirements specified in this Plan and any other requirements of the City.

The actual pre-project municipal (City and Region) property taxes and estimated post-project assessed value and applicable tax rates will be used to calculate the estimated post-project property taxes, increase in municipal (City and Region) property taxes, and the estimated annual and total grant amount to be provided.

Where City staff will be recommending approval of an application for a Brownfields Rehabilitation Grant, City staff will prepare the following documents:

- i) a recommendation report to City Council or Council's designate; and
- ii) a Brownfields Rehabilitation Grant Program Agreement.

The recommendation report and the Agreement (dated and signed by the property owner), will then be forwarded to City Council (or Council's designate) for consideration. Once City Council (or Council's designate) approves the Application and the Agreement, the agreement will be executed by the authorized City officials and a copy will be provided to the applicant.

Once remediation of the property is complete, the property owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the City proof that the RSC has been acknowledged by the Ministry of Environment (MOE). The owner shall, within 30 days of filing the RSC, notify the City of the filing, and within 30 days after receiving said notice, the City shall advise the Minister of Finance of the filing of the RSC.

Once the project is complete, an occupancy permit has been issued, and the property has been revalued by the Municipal Property Assessment Corporation, the property owner will be sent a new tax bill. After the property owner has paid in full the new taxes for one (1) year, the City will check to see that the property is not in tax arrears and that the property is still in conformity with the terms of the Brownfields Rehabilitation Grant Program Agreement. The City will calculate the actual tax increment and grant payment. The City will then issue payment of the grant in the form of a cheque in the amount specified as per the calculation of the actual grant payment.



Figure F-1 Rehabilitation Grant Program Administration

