

City of Guelph Brownfield Redevelopment Community Improvement Plan



Approved by the Ministry of Municipal Affairs - March 2004

(Updated August 2008)



Community Design and
Development Services

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1.0 Introduction

This document details the **Community Improvement Plan (CIP)** that will facilitate the implementation of key financial components of the City's Brownfields Strategy. The Strategy was adopted by City Council in May 2002 following a year long development process which included review by City Departments, leading environmental consulting firms and the Ministry of Municipal Affairs and Housing. The success of the strategy relies on the financial incentives permitted by the Brownfields Statute Law Amendment Act 2001 (hereinafter called the "brownfields legislation").

The success of the programs in the CIP will rely mainly on factors such as the market, uptake of programs, and the interest of owners and developers. The purpose of the CIP and financing programs is to establish where the City envisions cleanup and redevelopment should take place, and to provide incentives that will support and encourage these kinds of community improvement activities.

The authorization to implement these brownfield programs are provided by a number of pieces of provincial legislation, including the Planning Act, the Municipal Act, the Environmental Protection Act and the Education Act. This CIP also contains programs not necessarily restricted to brownfields, as authorized by the Development Charges Act.

1.1 What are Brownfields?

Like most municipalities in Ontario, the City of Guelph has a number of properties that have been or may have been impacted by former industrial or commercial uses and may be contaminated as a result of these former activities. These 'brownfield' properties are often vacant or under-utilized and in some cases may be abandoned due to concerns over environmental liability, the stigma attached to the former use and the financial costs for site remediation.

1.2 Why deal with them?

These properties are often strategically located and their redevelopment or reuse would provide the following benefits:

- Revitalization of the downtown core and surrounding neighborhoods;
- More effective use of existing municipal infrastructure;
- Reduction in pressure for suburban expansion;
- Clean-up of environmentally contaminated sites; and
- Increased tax revenue and job creation.

There is a compelling economic case to promote the redevelopment and reuse of brownfield sites. Research indicates that post brownfield redevelopment on average produces about 10 to 100 times more dollars in economic benefits than is spent on site remediation. **Table 1** presents local examples of the impact of brownfield development.

Table 1. Change in Tax Revenues Due to Brownfield Redevelopment / Re-Use of Selected Industrial Sites in Guelph

BEFORE	YEAR	PROPERTY ASSESMENT	TAX BILL	AFTER	YEAR	PROPERTY ASSESMENT	TAX BILL
Guelph Textile Mills (83 Neeve St.)	1993	\$ 272,426	\$ 4,111	Wellington Condominium (converted factory), Victor Davis Memorial Apartments, Guelph Non-Profit Housing, Hi- Rise Apartments	2001	\$ 10,185,000	\$ 331,807
Factory by the river (67 Wyndham St. S)	1997	\$ 45,312	\$ 587	Condominiums	2001	\$ 763,000	\$ 10,895
Industrial Use (490 York Rd.)	1991	\$ 481,140	\$ 6,868	Business Incubator	2001	\$ 1,371,580	\$ 53,458
Pirelli Cable (265 Suffolk St.)	2000	\$ 1,002,238	\$ 47,152	Rezoned for Townhouses and Semis	2002	\$ 16,215,000	\$ 231,544
TOTAL		\$ 1,801,116	\$ 58,718	TOTAL		\$ 28,534,580	\$ 627,704

2.0 Planning Policy

2.1 The Official Plan

The City of Guelph Official Plan supports brownfield redevelopment with a variety of policies. Section 2.2 (4), a major goal of the Official Plan, directs development to those areas where municipal services and related physical infrastructure are most readily or can be made available, considering existing land uses, natural heritage features, development constraints, development costs and related factors.

Section 3.3.1, Urban Form Policies, promotes a compact urban form and gradual expansion of existing urban development by promoting reuse and *redevelopment* of commercial or industrial sites that are under-utilized or no longer in use; and by maintaining an ongoing commitment to environmentally responsible development through an integrated approach that balances economic and cultural needs with environmental and social responsibilities.

One of the City's objectives for Municipal Services in Official Plan Section 4.0 is to encourage the efficient use of municipal services and utilities.

Furthermore, one of the objectives under Section 7.7 states that in terms of industrial development, the City will, "ensure efficient utilization of existing industrial land and promote redevelopment of under-utilized, or obsolete sites."

Finally, Section 5.6 deals with potentially contaminated properties, and states:

The City requires that contaminated properties be cleaned-up to the Provincial standard appropriate for the land use proposed by a development application. The City encourages clean-up to promote an efficient use of land and/or buildings and to protect the City's essential and valuable groundwater resources.

All of these key policies and policy objective are consistent with the City's fundamental operating principles of **Environmental Sustainability**; **Social Responsibility**; and **Economic Competitiveness**.

Appendix 1 provides excerpts of the Official Plan policies.

2.1.1 Community Improvement and Renewal Policies

The General Policy on community improvement and renewal include Sections 4.7.1 and 4.7.2. Section 4.7.1 states that:

In order to maintain or upgrade the quality of existing buildings, facilities or areas within the Municipality, the City may prepare a comprehensive program of preservation, rehabilitation and redevelopment. To implement this policy, the City may from time to time pass by-laws to designate 'Community Improvement Project Areas' as provided for in the Planning Act. Upon the

designation of a 'Community Improvement Project Area', the City will prepare and implement community improvement plans, which outline the specific projects and programs that are designed to bring about the improvements.

The Community Improvement Plan detailed in this report is consistent with OP Section 4.7, Community Improvement and Renewal, which has the following objectives:

- a) To maintain the quality, safety and stability of the community.
- b) To encourage the renewal, rehabilitation or redevelopment of private and public properties in order to maintain a safe and pleasant built environment within the community.
- c) To upgrade the municipal physical and community facility infrastructure.
- d) To reduce or eliminate deficiencies in public recreational and park facilities.
- e) To guide and prioritize the expenditure of public funds on community improvements.
- f) To encourage community partners to maintain, upgrade and/or add community facilities and services.

Furthermore, Section 4.7.6 (c) contemplates the use of incentives to assist in implementing Community Improvement Plans:

In order to achieve its community improvement objectives and policies, the City will use all available means, including...outlining programs and incentives to assist in rejuvenation efforts.

Figure 1 shows a schedule from the City Official Plan that shows the extent of the Community Improvement Project Area associated with the established areas of the City.

2.1.2 The Community Improvement Project Area

Subsection 28(4) of the Planning Act requires the City to designate by by-law a "Community Improvement Project Area". When the by-law is passed under ss.28(2), Council can then provide for the preparation of a plan, which is then adopted in accordance with the procedures under the Planning Act.

2.1.3 Area Characteristics

The major land use designations in the Community Improvement Project Area as defined by the Guelph Official Plan are General Residential, Central Business District, Major Institutional and Core Greenlands. Other designations include Special Policy Area/Flood Plain, the Non-core Greenlands Overlay, Mixed Residential, Industrial, and Open Space.

See **Figure 2** Land Use in the Community Improvement Project Area.

Figure 1. COMMUNITY IMPROVEMENT PROJECT AREA

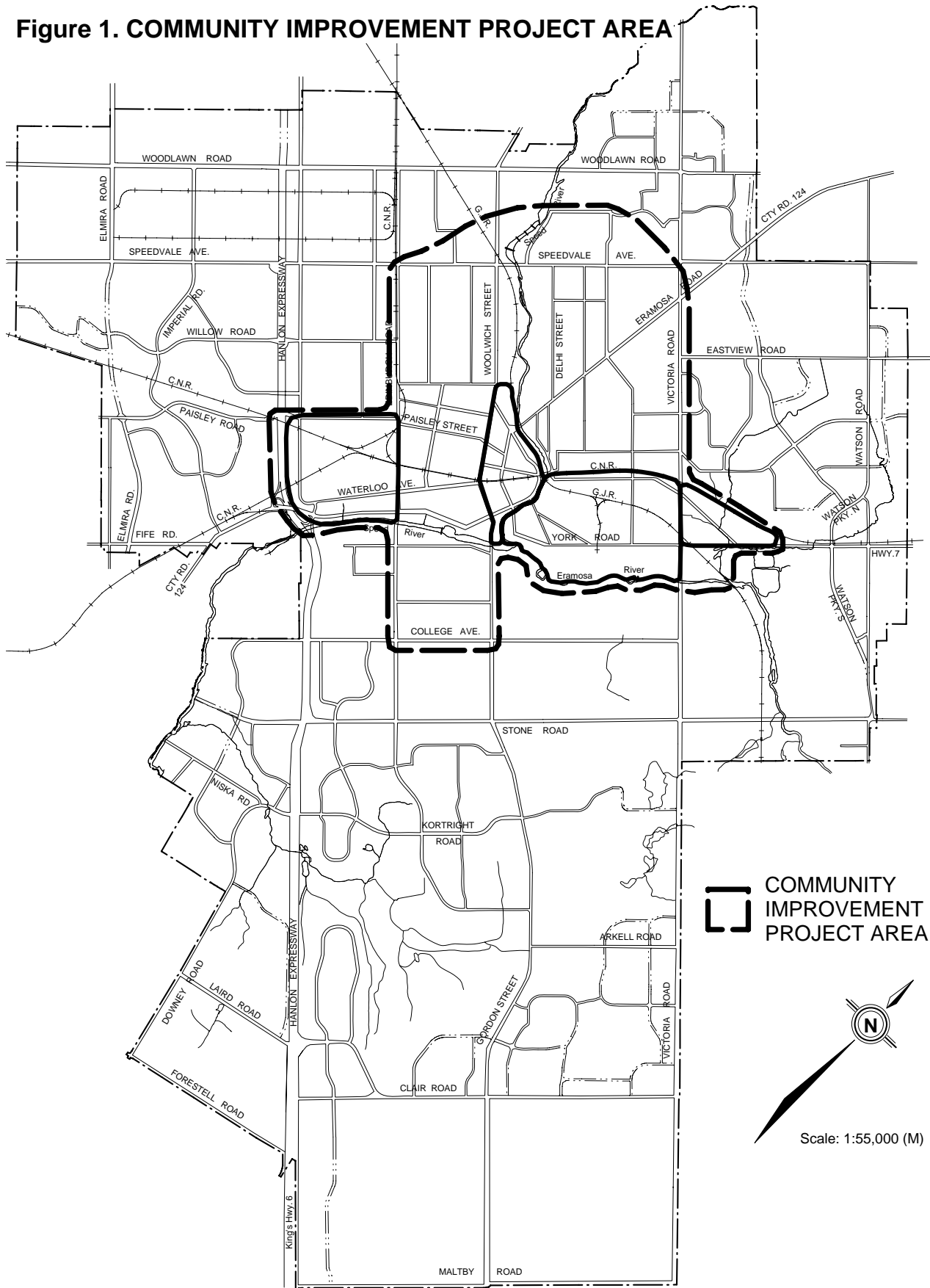
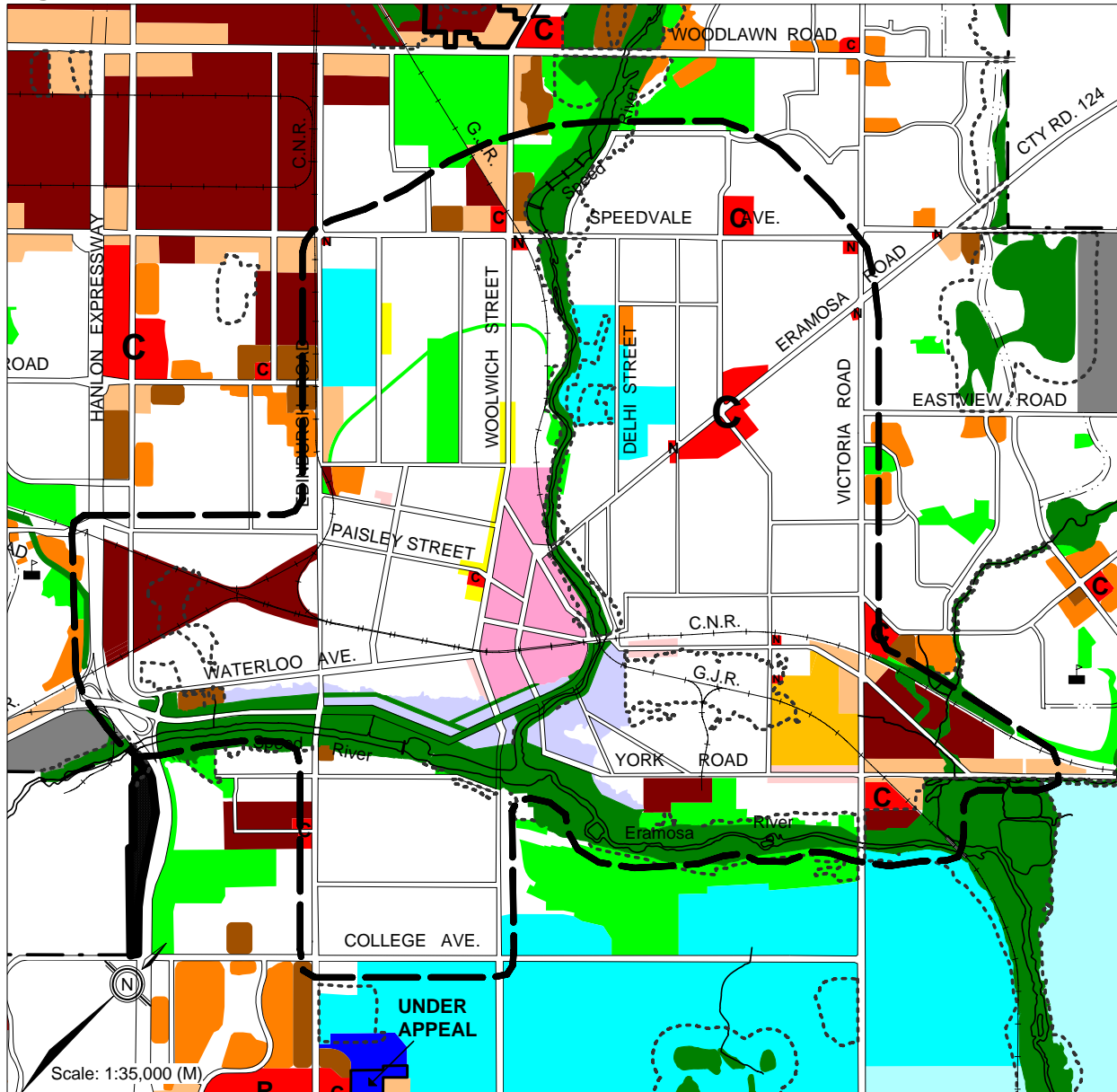


















Figure 2. LAND USE IN THE COMMUNITY IMPROVEMENT PROJECT AREA



OFFICIAL PLAN Schedule 1: LAND USE PLAN (June 2002 Consolidation)

	GENERAL RESIDENTIAL		INDUSTRIAL
	MEDIUM DENSITY RESIDENTIAL		MIXED INDUSTRIAL-RESIDENTIAL
	HIGH DENSITY RESIDENTIAL		MAJOR INSTITUTIONAL
	CENTRAL BUSINESS DISTRICT		OPEN SPACE
	COMMUNITY COMMERCIAL CENTRE		CORE GREENLANDS
	SERVICE COMMERCIAL		NON-CORE GREENLANDS OVERLAY
	COMMERCIAL MIXED USE		SPECIAL POLICY AREA/ FLOOD PLAIN
	MIXED OFFICE-RESIDENTIAL		COMMUNITY IMPROVEMENT PROJECT AREA

N:\Requests\Shannon\Community Improvement Land Use.WOR
September 2003



The Community Improvement Project Area is characterized by the older neighbourhoods, establishments and infrastructure. The area roughly correlates to the City's boundary established in 1854 and as such contains a high proportion of older dwellings and industrial lands. **Table 2** illustrates this by comparing the housing starts by various age groups in the Community Improvement Project Area to the City as a whole.

Table 2. Age of Houses in the Community Improvement Project Area Compared to those in the City as a Whole

DATE OF CONSTRUCTION	FRACTION OF TOTAL* HOUSING IN GUELPH	FRACTION OF TOTAL* HOUSING IN CIP AREA
Pre 1900	5.8%	15.5%
1901-1929	8.9%	23.7%
1930-1949	4.8%	12.0%
1950-1969	26.5%	40.4%
1970-1979	17.1%	4.0%
1980-1989	18.6%	1.9%
1990-2000	18.4%	2.6%

*Total housing starts in year 2000, City of Guelph

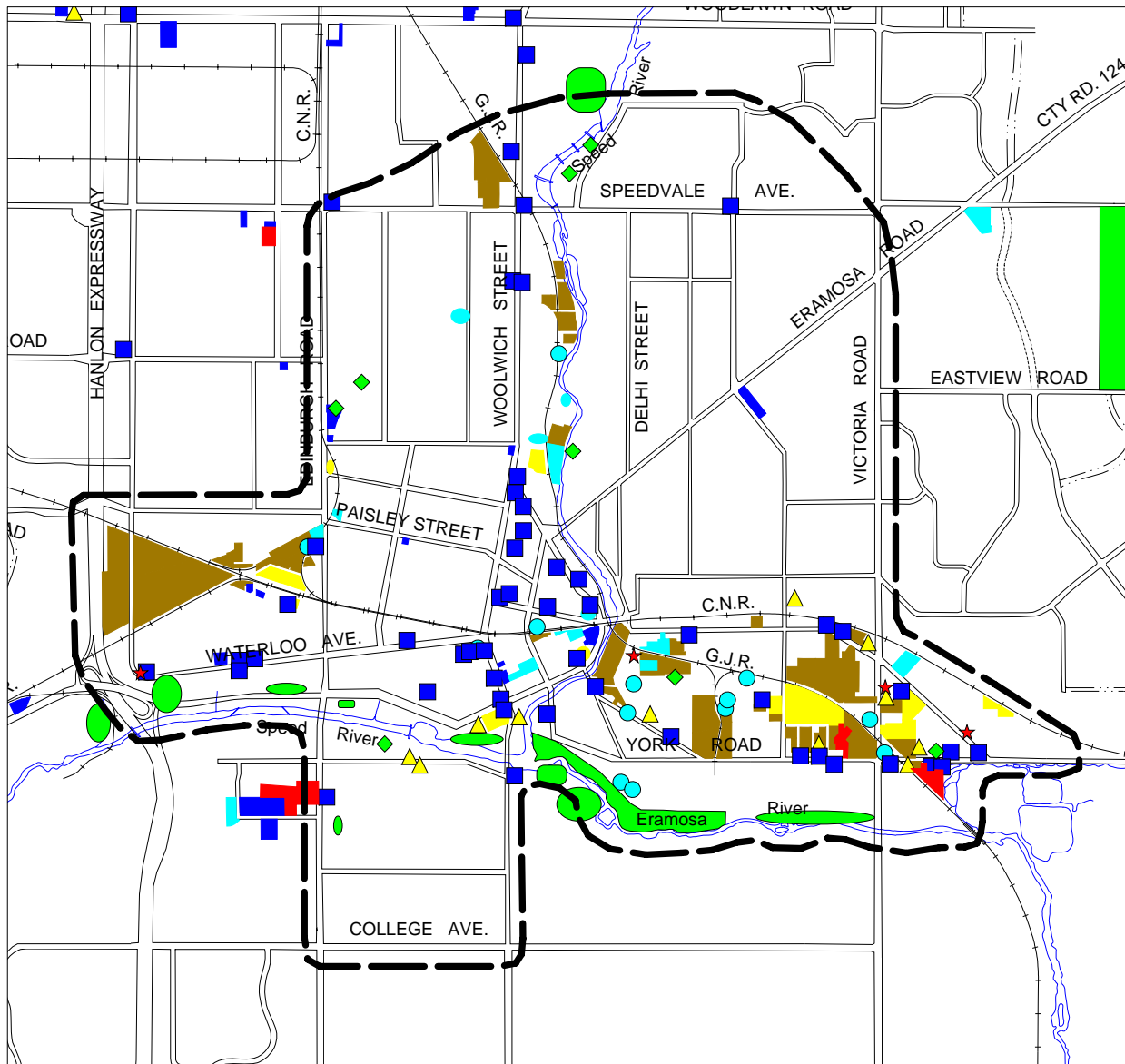
Based upon historical business and fire insurance maps, potential 'brownfield' lands have been identified within the City. Of the estimated 175 sites identified through this analysis, approximately 82% are located within the Community Improvement Project Area designated by the municipal by-law passed under ss.28(2) of the Planning Act and illustrated in the Official Plan. See **Figure 3** Potential Brownfield Sites in the Community Improvement Project Area.

To maintain this established area as a viable multiple use, vibrant area, it is particularly important to invest in improvement and renewal.

2.2 Smart Growth

The redevelopment of brownfield sites is consistent with the City's local Smart Growth initiative that is currently underway (known as SmartGuelph). The SmartGuelph process is an ambitious and innovative public consultation process focused on future growth and development. The SmartGuelph process will result in a strategy to guide the City's future development. Such a strategy will help to ensure that Guelph grows in ways that are economically, environmentally and socially healthy – a new "triple bottom line." The clean-up and redevelopment of brownfield sites is integral to achieving the triple bottom line and the initial findings from the consultation effort to date show a high level of community support for facilitating brownfield development.

Figure 3. POTENTIAL BROWNFIELDS SITES IN THE COMMUNITY IMPROVEMENT PROJECT AREA



TYPES OF BROWNFIELD SITES

Scale 1:35,000 metres

MANUFACTURING /
CHEMICAL PLANT



LANDFILL SITES



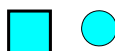
AUTO WRECKING
YARD /
SCRAP METAL /
FOUNDARIES



ESTABLISHED &
VACANT
INDUSTRIAL USES



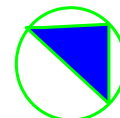
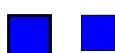
COAL, OIL, FUEL,
SALT STORAGE



COMMUNITY
IMPROVEMENT
PROJECT AREA



AUTO SERVICE /
GAS STATIONS



Prepared by the Planning Division
July 2002

3.0 The Community Improvement Plan

3.1 Goal

To specify a framework for implementing the City's Brownfield Strategy, which is consistent with and builds upon the goals of the City of Guelph Official Plan and the SmartGuelph initiative; and which satisfies the requirements of the brownfields legislation and Planning Act.

3.2 Objectives

1. To operationalize the key financial components of the City's Brownfield Strategy to stimulate private sector investment for brownfield site development, which include establishing an Environmental Study Grant (ESG) Program and establishing a 'Tool Box' approach. The Tool Box approach will incorporate the following financial incentives to off-set the costs associated with site assessment and remediation of brownfield sites:

- Tax Increment-Based (or Equivalent) Grant Program
- Tax Arrears Cancellation
- Tax Assistance Policy During Rehabilitation
- Consideration of Possible Development Charge Incentives

2. To establish a financial framework to facilitate the redevelopment/re-use of municipally-owned brownfield sites.

The other major components of the adopted Brownfields Strategy that can be achieved without a Community Improvement Plan are detailed within the Strategy in **Appendix 2**.

3.3 Why Financial Incentives are Necessary

Research indicates that 'brownfield' sites have varying levels of contamination and thus varying levels of clean-up costs. It has been estimated that in only 10% of cases does the clean land value exceed clean-up costs thus making it attractive from a market perspective for redevelopment purposes. In 60 to 80% the cost of clean-up is such that it is unlikely that private sector redevelopment will occur without incentives being put in place given the increased difficulties and risks associated with brownfield properties. In a further 10 to 20% of cases the cost of clean-up is so high using traditional remediation approaches it is unlikely that private sector redevelopment / reuse would be pursued even with incentives because of the high costs, high risks and limited payback.

In recognition of the financial difficulties associated with brownfield redevelopment projects as well as the increased uncertainty and possible risk of increased costs once clean-up is undertaken, a number of jurisdictions have established brownfield legislation and funding programs for site clean-up. These jurisdictions include the United Kingdom, over 30 States in the USA, and the Province of Quebec. In Ontario, the Brownfields Statute Law Amendment Act, 2001 was enacted to assist in brownfield clean up and redevelopment by providing Municipalities with an additional financing tool, more

flexibility for community improvement activities and limited liability protection from environmental orders issued by the Ministry of the Environment. The brownfields legislation, as it relates to the Planning Act and Municipal Act, limits the provision of grants, loans and tax assistance to the costs of rehabilitation and remediation.

To evaluate the effects of off-setting the additional environmental costs associated with brownfield sites, the following generalized proforma evaluation using actual site assessment / remediation costs of a recently rehabilitated moderately contaminated site is outlined below:

Table 3. Impact of Site Assessment / Remediation Costs on Project Feasibility

ITEM		BASE SCENARIO	WITH SITE ASSESSMENT /REMEDIAION COSTS OFF-SET
COSTS			
	Soft Costs (Fees/Studies)	\$714,669	\$714,669
	Land Costs	\$1,002,238	\$1,002,238
	Construction / Site Development	\$12,093,246	\$12,093,246
	Site Assessment / Remediation	\$575,000	
	Development Charges	\$1,044,785	\$1,044,785
	Taxes	\$26,210	\$26,210
TOTAL COSTS		\$15,456,148	\$14,881,148
REVENUE	Dwelling Unit Sales (125 townhouses + 20 semi-detached)	\$16,215,000	\$16,215,000
PROFIT		5%	9%

The analysis indicates that if the additional costs associated with site assessment and remediation are off-set, the project moves from an unfavorable position closer to an acceptable profit margin. The payback timeframe to recover the costs of environmental site assessments and remediation from the increased taxes would be approximately 6 years. The analysis also indicates that even with such incentives being available, from a financial perspective, additional measures may be necessary to make these sites attractive for redevelopment. A detailed overview of this analysis is in Appendix 2 of the attached Brownfields Strategy.

3.4 Financial Actions Contained in the City's Brownfield Strategy

- 3.4.1 *Establish an 'Environmental Study Grant Program' to help off-set the cost of undertaking site assessments and preparing remedial action plans for contaminated sites.*

Typically, on potentially contaminated sites environmental investigations occur in two phases:

- a Phase 1 environmental site assessment which involves gathering information on past land use activities to determine whether previous activities on the site had the potential to contaminate the property, and consequently, whether there is a need for further site investigation. This Phase typically involves a search of existing records, a visual inspection of the site, and an interview with a former employee/owner, but does not involve taking samples; and
- a Phase 2 environmental site assessment which conducts on-site investigations to identify the type, nature and extent of contamination on the site with site remediation and monitoring recommendations.

Subsequent to this a site remediation plan (sometimes referred to as a Phase 3 study) is prepared identifying the manner in which any on site contamination will be cleaned-up.

Phase 2 environmental site assessments in particular can be quite expensive as the analysis requires systematic on site sampling of soils, groundwater, surface water, soil vapor, sediments and vegetation. These environmental site assessments can also occur over a period of time particularly if the contaminant is suspected of migration.

The adopted Brownfield Strategy incorporates the establishment of a program that provides a grant to financially assist property owners with respect to 50% of the costs associated with completing necessary environmental site assessment of potential contaminated sites, as set out in the brownfields legislation relating to the Environmental Protection Act, under the definitions for Part XV.1 – Records of Site Condition.. The program would also be established to increase the environmental knowledge base and would assist in informing the City's groundwater protection strategy. Initially the program would be maintained for this purpose on a pilot project basis for a five year period after which it would be evaluated. This would allow approximately 10 properties per year to be evaluated. The grant program would only be available for Phase 2 environmental site assessments and site remediation plan costs. In exchange for the grant, land owners would agree to permit the city to use the data collected. Eligibility would require a plan for site redevelopment.

Schedule 1 to this Community Improvement Plan outlines details relating to this action item and is contained in Section 7.0 List of Schedules.

3.4.2 Establish a 'Tool Box' approach incorporating the following types of financial incentives to off-set the costs associated with site assessment and remediation of brownfield sites:

- *Tax Increment-Based (or Equivalent) Grant Program*
- *Tax Arrears Cancellation*
- *Tax Assistance Policy During Rehabilitation*
- *Consideration of Possible Development Charge Incentives*

Each individual brownfield site will have unique issues, attributes and circumstances associated with it. The intent of the 'tool box' approach is to allow property owners to apply a variety of programs in a manner which is tailored to the specific needs but which cumulatively will not exceed the costs of environmental site assessments and clean-up which are incurred. The approach is intended to 'level the playing field' by off-setting the additional costs which are incurred as a result of on-site contamination. Where a brownfield site also provides other community benefits such as a downtown location or the provision of affordable housing it is intended that any other incentives would also be available thus potentially making the site much more attractive for redevelopment / reuse. The following subsections briefly describe the proposed programs to be initiated on a 5 year pilot project basis:

Program 1. Tax Increment-Based (or Equivalent) Grant Program:

Tax increment-based grants are grants that may be provided by municipalities under the community improvement provisions of the Planning Act. The grant is calculated based on the new tax revenues generated by redevelopment. The City can use the incremental increase in property tax as an incentive to encourage the clean-up and redevelopment of a property through the offsetting of costs associated with site assessment and remediation. This type of initiative is a program which works as follows:

- Both the pre-construction and post-construction property assessments are established and certified;
- The cost of the environmental clean-up is identified and certified;
- The difference between the 'pre-construction' taxes and 'post-construction' taxes (municipal portion) is calculated and this difference will be the portion eligible for a full or partial tax increment based grant to off-set site assessment and remediation costs. This grant is available for a set period of time set out in an agreement between the municipality and owner (i.e. 10 years);
- As the project is built there is an increase in assessment and property tax revenues for that property;
- To encourage lending institutions to provide site assessment and remediation loans for brownfield projects, the tax increment-based grant may be used to secure those loans through an agreement between the municipality, the land owner and the lending institution.

Schedule 2 to this Community Improvement Plan outlines details relating to this action item and is contained in Section 7.0 List of Schedules.

Program 2. Tax Arrears Cancellation:

This program would apply to brownfield properties which are in tax arrears where a tax sale ultimately fails. As of January 1, 2003 the brownfields legislation amendments to the Municipal Act will allow a Municipality one year to choose whether it wishes to take ownership under a failed tax sale situation. This option reduces municipal "exposure" to the risk of ownership and all the attendant costs and liabilities that go with ownership. A tax sale failure would then allow a municipality to write off tax arrears in conformity with the new Municipal Act. This approach would apply to properties where the cost of environmental remediation and the property taxes plus penalties outstanding on the

lands exceeds the market value of the property as a 'clean' site. The approach recognizes that it would be highly unlikely that a purchaser would pay more in site clean-up and outstanding taxes than the property is worth as a 'clean' site given the availability of other non-contaminated sites elsewhere. The tax write off approach would apply as follows:

- The market value of the property as a 'clean' site would be determined assuming no contamination exists;
- The cost of site assessment and remediation would be determined;
- The difference between the market value of the property and the site assessment / remediation costs would be established as the amount of the outstanding taxes that would be paid; and
- The balance of the outstanding taxes would be written-off.

The use of this approach would include a requirement to enter into an agreement with the municipality setting out the terms and conditions to be applied to the write-off including a requirement for a Record of Site Condition to be registered.

Schedule 3 to this Community Improvement Plan outlines details relating to this action item and is contained in Section 7.0 List of Schedules.

Program 3. Taxation Assistance During Rehabilitation:

Tax assistance during rehabilitation may be provided by municipalities under Section 365.1 of the Municipal Act. This would allow municipalities to freeze or cancel all or a percentage of municipal and education taxes (with Ministry of Finance approval for the latter) during the rehabilitation and redevelopment time periods. The legislation allows tax relief to be initiated during the period of time when clean-up is being done until such time as is either specified by municipal by-law or when the assistance equals the cost of rehabilitation. The intent of the tax assistance is to reduce or cover the remediation costs. A municipal by-law is required for each property to which the assistance is to be applied.

Schedule 4 to this Community Improvement Plan outlines details relating to this action item and is contained in Section 7.0 List of Schedules.

Program 4. Development Charge Related Incentives:

NOTE: This Policy does not constitute part of the Community Improvement Plan, but is intended to augment the CIP programs under section 28 of the Planning Act.

While not a power under section 28 of the Planning Act, some municipalities in Ontario have used the provisions of the Development Charges Act to pass a by-law that provides a development charge credit on contaminated properties equal to the site assessment and clean-up costs of the property. The owner must submit an estimate of the costs of the site remediation work for approval by the City. The development charge allowance cannot exceed the total development charge payable by an owner to the City of the project.

The City of Guelph is currently initiating a review of its Development Charges By-law. The Terms of Reference for the study include evaluating the establishment of development charge increases to support the development of brownfields sites.

Schedule 5 to this Community Improvement Plan outlines details relating to this action item and is contained in Section 7.0 List of Schedules.

3.4.3 Tax Arrears for Properties that are either City Owned or Non-municipally Owned:

The City currently has ownership of a several brownfield properties which may have some difficulties in attracting private sector investment due to levels of contamination or the time required for site remediation and on-going monitoring requirements. Other properties require site assessment evaluations to determine levels of potential contamination and remediation requirements. The municipality may be able to facilitate the redevelopment of its sites by undertaking the necessary evaluations, determining a range of feasible after-uses and potentially entering into innovative partnership / ownership arrangements.

Additionally, the City may have been reluctant to initiate tax sale processes for brownfields properties in tax arrears because of the possibility of a failed tax sale. In this instance, municipalities have had to take ownership of the land and, with it, all the responsibilities of the property and the potential environmental liabilities and their associated costs. The brownfields legislation provides for two changes:

Municipal Act

- In a failed tax situation, the City has a one-year option as to whether they will take ownership of the subject land and, during that year, they may enter on to the property for environmental site investigation purposes; and,

Environmental Protection Act

- If the City becomes the owner of property as a result of registration of a notice of vesting under Part XI of the Municipal Act, protection from environmental orders is provided to the City for a period of five years. This five-year period may be extended by a Director of the Ministry of the Environment.

Actions:

1. *City Owned: Establish a reserve account as a funding mechanism for financing municipal brownfield initiatives including Environmental Site Assessments (ESAs) and the preparation of Remedial Work Plans, site monitoring, and possible site acquisition.*
2. *City Owned: Continue to undertake Environmental Site Assessments (ESAs) and the implementation of Remedial Work Plans for municipal properties, determine appropriate after-uses and initiate a request for*

proposal process to attract private sector partners to facilitate the reuse of the lands.

3. *Utilizing the protection of the brownfields legislation, identify strategic brownfields sites in tax arrears, and initiate the tax process. If the tax sale fails, ss.354(2) and 354(3) of the Municipal Act allows the City one year to: choose whether to enter onto the land to conduct Environmental Site Assessments (ESAs) to determine whether to take ownership; and to determine whether to write off tax arrears in conformity with s.354 of the Municipal Act. Note that the mere holding of a tax sale does not confer the City with a right of entry for investigation purposes.*
4. *Ensure that the City's Brownfield Strategy constitutes an integral component of its growth management initiatives.*

Details relating to these action items are found in **Schedules 9, 10 and 11** of the Brownfields Strategy attached in **Appendix 2**.

4.0 Public Consultation

According to Section 9.13.1 in the City of Guelph Official Plan, Council, in general, will follow the public notification procedures regarding planning matters that are contained in the Planning Act and its regulations. Also, in accordance with OP Section 9.13.3 the City will use the document "Guiding Principles for Public Involvement, and the Roles and Responsibilities of City Council, Staff and all Participants" to ensure effective decision-making.

The City of Guelph Brownfields Strategy forms the basis of this Community Improvement Plan and was developed through a consultation process. Public notice, consultation and adoption of this Community Improvement Plan have been carried out in accordance to the requirements of the Planning Act.

5.0 Plan Administration and Monitoring

The City's Brownfields Strategy includes a monitoring component to evaluate the achievement of objectives relative to targets. While the financial component of this strategy is proposed as a 5 year pilot program, this CIP is intended to offer the financial incentives to be extended before the pilot project timeframe should Council decide that such extension is appropriate.

The Planning Department will monitor participation in the Guelph Brownfields Community Improvement Plan programs and report annually to Council regarding program performance. Based on feedback obtained through this process, the City may periodically review and adjust the terms and requirements of the programs, or discontinue any of the programs described in this Plan, without amendment in

accordance with ss.28(4) of the Planning Act, requiring notice of public meeting, adoption by Council, and approval by the Minister of Municipal Affairs.

6.0 Conclusion

The City's Brownfields Strategy is a comprehensive framework containing key actions that are designed to facilitate brownfield redevelopment / re-use opportunities and improve environmental conditions in the Community Improvement Project Area.

This Community Improvement Plan has been prepared to implement the key financial components of the Brownfields Strategy and to provide the appropriate legislative framework within which financial incentives programs can be put into place in accordance with section 28 of the Planning Act.

Formal amendments to this Community Improvement Plan will be required when substantive changes such as the Community Improvement Project Area, or financial incentives change. Such amendments must be approved by City Council and by the Ministry of Municipal Affairs and Housing (MMAH). Any other amendments such as implementation procedures will not need to go through Council or the MMAH. Formal amendments may be expected at the next five-year Official Plan review or if a brownfield site outside of the Community Improvement Project Area becomes a high priority for clean up and redevelopment.

7.0 List of Schedules

Schedule 1. Establish Environmental Study Grant (ESG) Program

Legislative Authority:

- Section 28 of the Planning Act

Application:

- City-wide

Theme:

- Reducing Financial Barriers

Purpose:

- To encourage private sector investment in environmental site assessments
- To encourage development in existing built-up areas of the City by partially offsetting the costs of environmental site assessments.
- To gain information relating to existing contaminants for public health and marketing purposes.
- To quantify environmental risks and clean-up costs.
- To inform the City's Groundwater Protection Strategy.
- The program seeks to increase the environmental knowledge base as well as reward redevelopment / re-use.

Rationale:

- The uncertain outcomes, high upfront costs of environmental studies and legal liability issues relating to brownfield properties are inhibiting information gathering regarding the extent of the required clean-up.

Departments:

- Planning (lead: coordination)
- Finance (budgeting and dispensing of funds)
- Legal (developing grant agreements)
- Works

Priority:

- Year 1

Costs:

- Staff time
- \$200,000 annual operating fund to allow approximately 10 site assessments per year

Details:

- In accordance with section 28 of the Planning Act, Environmental Study Grants reimburse up to 50% of the cost of Phase 2 environmental site assessments and for remedial work plans for brownfield development sites.
- Developers and the City share the costs of the Environmental Site Assessments (ESA's) through Environmental Study Grants.

- In order to be eligible for the grant, developers must first complete and submit a Phase I ESA (review of previous uses) and demonstrate that on-site contamination is likely.
- The purpose of the environmental studies to be funded by this grant shall be to:
 - Confirm and describe existing contamination at the site (Phase II ESA); and/or
 - Develop a remedial work plan to remove, treat, or otherwise manage on-site contamination.
- The City of Guelph agrees to provide:
 - A grant in the amount of 50% or up to \$10,000 of the costs related to Phase 2 Environmental Assessments upon submission of the results of the study.
 - The cost of Remedial Clean-up Plans including remedial investigations and pilot scale testing will be reimbursed in the amount of 50% or up to \$10,000 of the costs upon submission of the results of the study.
 - City Council may alter the above-noted upset limits based upon the specific context such as the size of the property provided the City contribution does not exceed 50% of costs of such studies.

Application Procedure:

- Any property owner wishing to be considered for an Environmental Study Grant must complete and submit an Environmental Study Grant Application Form as well as submit a report outlining the results of a Phase 1 ESA demonstrating the potential for on-site contamination.
- Applications shall include a brief proposal for the environmental study, a detailed work plan and consultant's quote of the expected costs for the required study as well as the planned redevelopment use.
- Applicants must enter into an Environmental Study Grant agreement with the City. This agreement specifies the maximum amount of the grant, the requirements of the grant and the owner's obligations should the owner default on the Agreement.
- The applicant must also enter into agreement with the City of Guelph allowing the City the right to inform the public of the existence of the study. Permission shall be given to the City to circulate said studies to internal City departments, to use the study results in compilation of an area-wide environmental database and to advise other project proponents that a study or studies exists, but said studies will not be released by the City.
- Studies must be completed by qualified, independent consultants as defined by Provincial brownfields legislation.
- Upon completion of the environmental study, the grantee must submit one electronic and one hard copy of the study results, along with an invoice indicating complete payment for the study to the City of Guelph.
- Upon receipt of the study and invoice the Finance Department will disburse the amount of the grant.

Conditions and Restrictions

- Applications will be accepted throughout 5 years of a pilot program.
- The City may discontinue this grant program at any time. Previously approved program participants will continue to receive Study Grants.

- The Environmental Study Grant Program funding will only be available to properties where a Minister's Order for clean-up has not been issued.
- Grants must be approved prior to the start of any applicable environmental study. It is the intent of this program that applications may not be made retroactively
- Purchasers must provide written consent to conduct the environmental study from the owner of the property;
- The City will not forward funds until the city receives the results of the study. If the environmental study is not submitted to the City of Guelph within 2 years the grant allocation will be reallocated to other projects.
- No more than two (2) Environmental Study Grants will be awarded for any brownfield property (i.e. for the Phase 2 environmental site assessment and for the remedial action plan).
- Brownfield properties in tax arrears are not eligible for the Environmental Study Grant. All property taxes must be paid or cancelled in accordance with s.354 of the Municipal Act.
- Grants will be awarded based on strategic priority of the redevelopment of a site, on a first come, first served basis.
- If grant funds remain unallocated, the City reserves the right to roll leftover funds from the annual operating budget into a reserve fund for brownfield initiatives. The contents of this reserve fund will pay for environmental site assessments of city-owned and/or strategic land parcels.
- The amount of any Environmental Study Grant(s) will be deducted from the Eligible Redevelopment Costs available for tax increment-based funding for the same property. It is the intent of this program that other brownfields incentives may be used to off-set site assessment costs not reimbursed by the Environmental Study Grant.
- Program eligibility will be determined by the Planning Department, in consultation with other departments as necessary.
- Applications will be reviewed and approved by the Planning Department.
- The City reserves the right to independently audit the costs of the Environmental Site Assessment studies.

Schedule 2. Tax Increment-Based (or Equivalent) Grant Program

Legislative Authority:

- Section 28 of the Planning Act

Application:

- City-wide

Theme:

- Reducing financial barriers

Purpose

- To stimulate private sector investment in redevelopment
- To reimburse private sector clean-up costs without incurring debt to the municipality
- To increase the long-term municipal tax base
- To reward remediation and redevelopment of brownfield properties

Rationale:

Without redevelopment, the City would not be receiving increased tax revenue. Once the grant period ceases, the City collects the full amount of municipal taxes for the redeveloped property. To encourage lending institutions to provide site assessment and remediation loans for brownfields projects, the tax increment-based grant may be used to secure those loans through an agreement between the City, the land owner and the lending institution.

Departments:

- Finance (calculate and disburse tax rebates)
- Planning (lead: coordination)
- Legal (prepare agreements)

Priority:

- Year 1 – Prepare community improvement plan
- Year 2 - Implementation

Costs:

- Staff time
- In the event that brownfield redevelopment takes place, the municipal tax base will grow more slowly.

Details:

- Grants are based on the future increase in tax assessment and consequent increase in property tax revenues resulting from redevelopment of eligible brownfields properties. As property assessment rises, taxes payable on a property also rise. The developer will pay the increased taxes to the City as normal, and will subsequently be provided a tax increment-based grant from the Municipal portion of the increase. The total value of the grant provided under this program shall not exceed the total value of the work done under the Eligible Brownfield Rehabilitation Costs, as set out below.
- The total value of any tax increment-based grant shall not exceed the total value of work done under the Eligible Brownfield Rehabilitation Costs set out below, or shall not exceed the maximum grant time horizon of 10 years, whichever is the lesser amount. Tax increment-based grants will only be available when building permits have been issued and the assessed value of the property increases. The program is intended to encourage the remediation and redevelopment of contaminated properties.
- The total value of any tax increment-based grant shall not exceed the total value of work done under Eligible Brownfield Rehabilitation Cost as set out below, or shall not exceed the maximum grant time horizon of 10 years, whichever is the lesser amount. Tax increment-based grants will only be available when building permits have been issued and the assessed value of the property increases. This program is intended to encourage the remediation and redevelopment of contaminated properties.

Eligible Brownfield Rehabilitation Costs**Eligible costs include:**

- Phase 2 Environmental Site Assessment costs
- Costs of preparing remedial work plans

- Demolition costs
- Site rehabilitation costs
- Costs of complying with the requirements of a Certificate of Property Use
- Costs of rehabilitating building contamination for projects involving re-use of existing structures.

Process

- Both the pre-construction and post-construction property assessments are established and approved by the City. The City reserves the right to obtain an independent third party to review the proposed remediation program and costing.
- Eligible Brownfield Redevelopment Costs are identified and certified;
- The owner continues to pay the property taxes for the site at its pre-construction assessment value.
- The difference between the 'pre-construction' taxes and 'post-construction' taxes (municipal portion) is calculated.
- Reassessment must result in higher assessment.
- This difference is the portion eligible for a grant to offset the Eligible Brownfield Rehabilitation Costs incurred.
- This grant is available for a set period of time set out in an agreement between the municipality and owner for a maximum of 10 years.
- Before any tax increment-based grant is issued, a Record of Site Condition must be prepared by a qualified person certifying site remediation to appropriate contaminant levels for the intended property use, as set out in the Environmental Protection Act and supporting regulations, and submitted to the City along with a copy of the Ministry of Environment's written acknowledgement.
- The tax increment-based grant can be issued to the property owner, or to whoever the grant is assigned by the owner.
- An agreement must be entered into by the property owner and the City, regarding the details of the tax increment-based grant.

Details:

- Tax increment grants will be provided in equal installments in the amount of 80% of the municipal portion of the property tax increase. The remaining twenty percent of the municipal portion of the property tax increase is paid by the property owner and allocated to a brownfields reserve account for municipal brownfield initiatives.
- The definition of vacant land will refer to the status of the property at the time of program approval. If subsequent demolition occurs the tax increment will be the difference between the assessment at the time of program approval and that following reassessment. It is the intent of this clause to avoid unnecessary demolitions and support adaptive re-use of architecture.
- Grant applications cannot be retroactively applied.
- It is the intent of this program that tax increment-based grants can be used to cover only the eligible Brownfield Redevelopment Costs exclusive of any other brownfield incentive provided.
- Applications for tax increment-based grants will be reviewed and approved by the Planning Department
- The City reserves the right to independently audit Eligible Brownfield Redevelopment Costs.

- The City and the property owner will enter into an agreement. This agreement will specify the terms of the financing; the activities which will be considered Eligible Brownfield Redevelopment Costs, the duration of the grant, the owner's obligations should the owner default on the Agreement, and any other requirements specified by the City.

Schedule 3. Tax Arrears Cancellation

Application:

- City-wide

Theme:

- Reducing financial barriers

Purpose:

- To acknowledge that certain taxes are uncollectible
- To stimulate brownfield redevelopment by bona fide third parties
- To encourage the sale of brownfield sites to new owners

Rationale:

- Accrued tax arrears can be significant in relation to the value of the property. These taxes may be uncollectible, especially in the case of abandoned or orphaned properties. Where outstanding taxes plus clean-up costs exceed the clean land value redevelopment is highly unlikely.

Departments:

- Finance (provide information on tax arrears and recommendations to Council)
- Legal (create agreements)

Priority:

- Year 2

Costs:

- Staff time
- Amount of unpaid taxes which might have been recoverable

Details:

- This is authorized by the Municipal Act, clause 354(2)(a) and 354(3). Where a tax sale has failed and where the Treasurer of a municipality deems that taxes on a property are uncollectible, the Treasurer can recommend that tax arrears be written off. Council approval is required. The municipality has 1 year to take ownership.
- Realty tax arrears on contaminated properties can be cancelled as an incentive to potential purchasers to redevelop such properties.
- The property must have a minimum of 3 years of tax arrears.
- There must be evidence of environmental contamination from a Phase 2 study exceeding Provincial standards.
- The amount of tax arrears plus estimated clean up costs must exceed the clean land value of the property. The purchaser must enter into an agreement with the City where the purchaser agrees to obtain an appraisal of the property as if there was no

environmental contamination (to determine whether the tax arrears are significant in relation to the value of the uncontaminated property).

- The purchaser must be a *bona fide* arm's length purchaser or lien-holder.
- For the purpose of this program, a bona fide purchaser is defined as a person who submits:
 - A copy of a signed offer to purchase; and,
 - A declaration that the individual is not selling to a related interest.
- The purchaser must agree to prepare a site remediation plan and the purchaser must also agree to clean up the site to Provincial standards and submit a Record of Site Condition certifying that the clean-up has been completed within a defined time period. The Record of Site Condition must be acknowledged by the Ministry of the Environment. The agreement with the City will identify the extent and expected costs of the clean-up as identified in remedial clean-up plan.
- It is the intent of the City that tax cancellation agreements may be used in conjunction with other brownfield incentives provided that the cumulative application of these incentives does not exceed site assessment and site remediation costs.
- Grant applications cannot be retroactively applied.
- If the property remediation is not initiated within the specified time period, any grants will be forfeited and repayable to the municipality.
- The City and the property owner will enter into a Tax Cancellation Agreement. This agreement will specify the terms of the tax cancellation, such as the total amount of the grant; the owner's obligations should the owner default on the Agreement, and any other requirements specified by the City.
- Tax cancellation applications will be reviewed by the Planning and Finance Departments for a joint recommendation to Council.
- Each tax cancellation requires council approval

Schedule 4. Taxation Assistance During Rehabilitation

Application:

- City-wide

Theme: Reducing Financial Barriers

Purpose:

- To promote remediation of brownfield sites.
- To encourage new development in existing built-up areas of the City.
- To gain information relating to environmental contamination.

Rationale:

- Brownfield sites have increased costs associated with the need to undertake Environmental Site Assessments and for the cost of site rehabilitation. If these up front costs can be reduced the financial feasibility for redevelopment / reuse can be increased.

Departments:

- Finance
- Planning
- Legal

Priority:

- Year 2

Costs:

- Loss of taxation revenue during the time period the incentive applies.

Details:

- Permitted pursuant to Section 365.1 of the Municipal Act.
- Requires the property to be within an area affected by a Community Improvement Plan pursuant to the Planning Act.
- Applicant would apply to City to freeze or cancel all or a percentage of municipal and education taxes during site clean-up and redevelopment after a Phase 2 Environmental Assessment is completed and submitted to the City demonstrating that Provincial standards cannot be met in order to file a Record of Site Condition;
- Applicant would be required to enter into an agreement with the City specifying the terms of the relief, the duration of relief, the owner's obligations and other requirements specified by the City.
- City would request the Province to provide relief from Education portion of taxes.
- Under this program it is acknowledged that the timing of and conditions that apply to municipal property tax assistance may vary from those for matching education property tax assistance.

Schedule 5. Review Development Charges Policy

Legislative Authority:

- NOTE: This Policy does not constitute part of the Community Improvement Plan, but is intended to augment the Community Improvement Plan programs under section 28 of the Planning Act.

Application:

- City-wide

Theme:

- Reducing Financial Barriers

Purpose:

- To stimulate private sector investment in brownfield redevelopment by reducing up front costs equal to additional site assessment and remediation costs

Rationale:

- Brownfield sites have increased costs associated with the need to undertake Environmental Site Assessments and for the cost of site rehabilitation. If these up front costs can be reduced the financial feasibility for redevelopment / reuse can be increased. Development charges can represent a significant up front cost which could be applied to off-setting site assessment / remediation costs.
- Brownfield redevelopment should be evaluated as one of several municipal objectives which could be realized through an overall municipal fiscal policy relating to development charges.

Departments:

- Finance
- Planning
- Economic Development

Priority:

- Years 2&3

Costs:

- Staff time to develop fiscal policy and associated research
- Loss of development charge revenues

Appendix 1

City of Guelph Official Plan Excerpts

Excerpts of Official Plan Sections cited in Section 2.1 of the Community Improvement Plan

From OP Section 2.2: Plan Operating Principles

The following operating principles provide the foundation to the goals, objectives and policies of this Plan:

Environmental Sustainability:

Recognition that the quality of life is directly related to the integrity of natural systems (air, water, soil, wildlife, plants) and that there is a responsibility on the part of the community to maintain and improve the integrity of natural systems so as to not compromise the ability of future generations to meet their needs.

Social Responsibility:

Recognition that the quality of life is directly related to social well-being resulting from the provision of accessible employment, social, health, educational, recreational and housing opportunities to all segments of the community. By building social capital so that all residents are nurtured by society, a caring, friendly, and safe community can be achieved and civic pride can be fostered.

Economic Competitiveness:

Changing economic conditions including globalization and new communication technologies can mean that jobs and investment can flow in or out of our community quickly. It is recognized that it is necessary to retain a high quality of life to assist in retaining and attracting a diverse range of businesses and thus ensuring long term economic competitiveness and stability. This in turn will provide the community the continued ability to invest in the fundamental elements that contribute to quality of life such as community infrastructure and amenities and measures to support environmental and social health.

Citizen Involvement:

Recognition that a city should give its people a sense of identity, belonging and support for their aspirations and dreams. In order to achieve a high quality of life, residents should be actively involved in decisions that affect their community.

Community Character:

Recognition that achieving a high quality of life is directly related to the ability of a city's citizens to identify a community character, which is distinct from that of other areas. The preservation of the City's cultural and architectural heritage and its natural settings establish a legacy to the past which is integral to providing and maintaining a sense of community identity for the future.

From Section 3.3: Urban Form Policies

3.3.1 The City will promote a compact urban form and gradual expansion of existing urban development by:

- a) Encouraging *intensification* and *redevelopment* of existing urban areas in a manner that is compatible with existing built form;
- b) Encouraging a gradual increase in the average residential density of the community;
- c) Maintaining and strengthening the Central Business District (Downtown) as the heart of the community.
- d) Encouraging intensification of residential, commercial, industrial and institutional areas to maximize efficient use of municipal services;
- e) Promoting mixed land uses in appropriate locations throughout the City to provide residents opportunities to live, learn, work, shop, recreate, gather and worship in close proximity to their neighbourhoods;
- f) Encouraging the identification of specific locations suitable for mixed use development (e.g. arterial road corridors, major intersections, designated mixed use nodes);
- g) Promoting a range of building types and innovative designs to meet the diverse needs of the community and encouraging community buildings to be multi-functional;
- h) Maintaining an ongoing commitment to environmentally responsible development through an integrated approach that balances economic and cultural needs with environmental and social responsibilities;
- i) Promoting reuse and *redevelopment* of commercial or industrial sites that are under-utilized or no longer in use;
- j) Continuing to support the geographic distribution of community facilities within the City to maximize the environmental benefits associated with access and integrated land use;
- k) Promoting the co-ordination of planning between all agencies and departments within the City.

From Section 4: Municipal Services

4.1 Introduction

This section establishes the general policies of the City as they relate to servicing of *development*.

Objectives

- a) To encourage the efficient use of municipal services and utilities.
- b) To ensure full municipal services are provided for all forms of development.
- c) To ensure groundwater resources, on which Guelph's water supply is based and which sustain the area's natural environment, are respected, protected and conserved.
- d) To set out a staging and phasing program for the logical, economic expansion of services.
- e) To promote the retention, repair and upgrading of infrastructure in the older parts of the community.

From Section 4.7: Community Improvement and Renewal

Objectives

- a) To maintain the quality, safety and stability of the community.
- b) To encourage the renewal, rehabilitation or redevelopment of private and public properties in order to maintain a safe and pleasant built environment within the community.
- c) To upgrade the municipal physical and community facility infrastructure.
- d) To reduce or eliminate deficiencies in public recreational and park facilities.
- e) To guide and prioritize the expenditure of public funds on community improvements.
- f) To encourage community partners to maintain, upgrade and/or add community facilities and services.

General Policies

4.7.1. In order to maintain or upgrade the quality of existing buildings, facilities or areas within the municipality, the City may prepare a comprehensive program of preservation, rehabilitation and redevelopment. To implement this policy, the City may from time to time pass by-laws to designate "Community Improvement Areas" as provided for by the Planning Act. Upon the designation of a "Community Improvement Project Area", the City will prepare and implement community improvement plans, which outline the specific projects and programs that are designed to bring about the improvements.

4.7.2 Council will consider the following criteria in the designation of "Community Improvement Areas":

- a) A significant portion of the housing stock and other buildings are in need of maintenance, rehabilitation or redevelopment;
- b) The sanitary sewer, storm sewer and/or water supply systems are inadequate and in need of repair;
- c) Roads, sidewalks, curbs, gutters, street lighting, parking facilities, streetscape landscaping or furniture are inadequate and in need of repair;
- d) The area is deficient in the supply of public open space or recreation facilities;
- e) There may be conflicting or non-compatible land uses in the area;
- f) Within commercial areas, there is deterioration in the appearance of building facades, inappropriate signs, inadequate parking facilities or inadequate pedestrian accessibility;
- g) Within industrial areas, the inefficiency of industrial sites, access to and within the industrial areas, inadequacies in parking, loading and outside storage areas, conflicts with neighbouring uses or the presence of obsolete buildings.

4.7.3 The City will consider the designation of Community Improvement Project Areas within the older, established areas of Guelph as outlined on Schedule 5. At this time, priority areas for community improvement include:

- a) The Central Business District (Downtown) – Area 1;
- b) St. Patrick's Ward (Ward One Area) – Areas 2 and 3; and
- c) The Junction Lands Area – Area 4.

Planning Initiatives

4.7.4 The City has completed a “charrette plan” for Community Improvement Project Area 1, the Central Business District (Downtown). This plan will serve as a conceptual vision for future planning and development activity to assist in the rejuvenation of this area. Future work for the downtown will include:

- a) The preparation of a new downtown concept plan to be included in Section 7 of this Plan;
- b) The implementation of a “public realm” streetscape plan and “private realm” property improvement guidelines;
- c) The development of government incentive programs that will assist in rejuvenation and community improvement.

4.7.5 The City has completed a land use study to serve as a basis for a community improvement plan for Community Improvement Project Areas 2 and 3. This land use study is entitled the "Ward One Area Future Land Use Strategy" (January 1992).

- a) To assist in identifying the extent and necessity for upgrading municipal services in Community Improvement Project Areas 2 and 3, the City will prepare an infrastructure capacity and deficiencies study. This study will address the adequacy of existing sanitary and storm sewers, the water distribution network and the road network in relation to potential new *development* opportunities.
- b) Following completion of the infrastructure study, refinements to the land use designations and policies of the area may be made with a recommended community improvement plan.

Implementation

4.7.6 In order to achieve its community improvement objectives and policies, the City will use all available means, including the following:

- a) Making full use of municipal authority granted in the Planning Act and other Provincial and Federal legislation to prepare and carry out a community improvement program;
- b) Taking advantage of federal and provincial programs where beneficial to the City;
- c) Outlining programs and incentives to assist in rejuvenation efforts;
- d) Continuing to enforce the *Property Standards By-law*, the *Zoning By-law* and any other related by-laws and policies;
- e) Ensuring that community improvement plans and programs encourage the preservation, rehabilitation, renewal and reuse of *cultural heritage resources*, and by continuing to support heritage conservation through the application of the Ontario Heritage Act;
- f) Continuing to support the Downtown Board of Management (the Business Improvement Area administration pursuant to the Municipal Act) in its efforts to maintain a strong and viable downtown;
- g) Co-operating with private individuals and corporations, service clubs and other public agencies to maintain, upgrade and/or provide new facilities, services and projects, which contribute to the enhancement of the community.

From Section 5.6: Potentially Contaminated Properties

The City requires that contaminated properties be *cleaned-up* to the Provincial standard appropriate for the land use proposed by a *development* application. The City encourages *clean-up* to promote an efficient use of land and/or buildings and to protect the City's essential and valuable groundwater resources. This Plan outlines policies dealing with the identification of sites and facilities, which may be contaminated from past land use practices. For the purposes of this Plan, only generic uses that have been known to create possible contamination problems are identified. Additional past land uses, that are limited to suspected contamination and not specifically referenced in this Plan, may also require study by *development* proponents.

Objectives

- a) To outline the City's policies respecting the general identification of land uses where environmental contamination may have occurred or is occurring.
- b) To outline the City's requirements to *clean-up* contaminated properties.

General Policies

5.6.1 The following list of general uses suggests activities that are currently in operation, or have been present in the past, that are related to possible environmental contamination:

- a) Activities involved with the elimination of waste and other residues;
 - b) Industrial and commercial activities involving hazardous substances;
 - c) *Livestock-based agriculture* operations;
 - d) Storage and transfer of hazardous substance activities;
 - e) Sites formerly used for transportation or utility purposes.
- 5.6.2** The City will require a *development* proponent to provide documentation that a property, suspected as having some form of contamination, is clean or has been *cleaned-up*. This documentation is to be provided prior to any planning approval being given to *develop* a suspected contaminated property. Where documentation is not available, the City will request the proponent to undertake an analysis to determine the possible nature and extent of any contamination in accordance with the City and Ministry of the Environment requirements. The proponent will be required to submit a record of site conditions and other applicable documentation.

5.6.3 In the event that any contamination is identified on a particular property, a *development* proponent will be required to submit a *decommissioning* and/or *clean-up* program that meets the requirements of the City and the Ministry of Environment prior to any planning approvals being given. Further, the issuance of a demolition permit may be contingent upon the submission and acceptance of a Phase 1 decommissioning study, satisfactory to the City and in compliance with the Ministry of the Environment requirements.

5.6.4 It is the intent of the City that all contaminated properties be *cleaned-up* to a level that protects human health by meeting soil and water quality criteria set out by the Ministry of the Environment in the publication "Guidelines For Use At Contaminated Sites In Ontario" (as revised from time to time); a record of site conditions will also be required.

5.6.5 In instances where the City is deeded land for public highways, road widening, parkland, storm water management, easements or for any other public use, the City may require evidence, as a condition of the transfer that no environmental contamination has occurred on the subject lands.

5.6.6 The policies of this subsection are not intended to apply to the closure of *landfill sites* or other facilities that are required to meet closure conditions of a Certificate of Approval issued under the Environmental Protection Act.

5.6.7 The City, in consultation with the Grand River Conservation Authority, other government agencies and the community will develop and implement an action plan to encourage the *clean-up* of known contaminated sites.

Appendix 2

City of Guelph Brownfields Strategy

B r o w n f i e l d s S t r a t e g y



CITY OF GUELPH MAY 2002

Updated September 2003 to reflect MMAH comments in Community Improvement Plan

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City of Guelph

Brownfields Strategy and Actions

Purpose:

Like most municipalities in Ontario, the City of Guelph has a number of properties that have been or may have been impacted by former industrial or commercial uses and may be contaminated as a result of these former activities. These 'brownfield' properties are often vacant or under-utilized and in some cases may be abandoned due to concerns over environmental liability, the stigma attached to the former use and the financial costs for site remediation. These properties are often strategically located and their redevelopment or reuse would provide the following benefits:

- Revitalization of the downtown core and surrounding neighborhoods;
- More effective use of existing municipal infrastructure;
- Reduction in pressure for suburban expansion;
- Clean-up of environmentally contaminated sites; and
- Increased tax revenue and job creation.

There is a compelling economic case to promote the redevelopment and reuse of brownfield sites. Research indicates that post brownfield redevelopment on average produces about 10 to 100 times more dollars in economic benefits than is spent on site remediation. The following examples demonstrate the economic benefits derived from brownfield redevelopment / reuse:

- In Coburg Ontario a \$2 Million remediation cost for several brownfield sites resulted in \$162 Million dollars worth of construction projects;
- In Montreal \$18 Million spent on site rehabilitation of 64 projects have generated \$950 Million in construction, 5,000 jobs and \$40 Million in municipal taxes.
- In Guelph an analysis of four rehabilitated brownfield properties indicates that property assessment increased by nearly \$27,000,000 following redevelopment and municipal taxes increased by nearly \$600,000 representing a 10% increase in municipal revenue from the properties. **(See Appendix 1)**

The purpose of this document is to outline a strategic action plan intended to facilitate the redevelopment / reuse of 'brownfield' properties. The plan identifies a series of related initiatives that cumulatively provide a municipal framework to achieve this end.

Background:

In February 2001 City Council authorized the establishment of a multi-departmental team to provide recommendations with respect to the scope and nature of a municipal brownfields strategy. This team has met on a number of occasions to develop the proposed strategic action plan. In the intervening timeframe the Province of Ontario has also passed the *Brownfields Statute Law Amendment Act, 2001* (herein referred to as the "brownfields legislation") and is currently developing the implementing regulations. The proposed strategic actions are consistent with the legislation. At the Federal

government level the most recent budget has indicated that the eligible categories for the Green Municipal Funds may be broadened to include brownfield projects.

The proposed strategy is based upon the following basic principles:

1. The primary role of the municipality is to provide leadership and facilitate private sector interest in redevelopment / reuse of brownfield sites through the coordinated use of financial, regulatory, marketing and planning tools.
2. Guelph City Council has identified 'brownfield' redevelopment / reuse as a Council priority forming part of the City's Smart Growth initiative.
3. Municipal as well as Provincial and Federal resources are necessary to overcome obstacles to brownfield redevelopment / reuse.
4. Municipal incentives to facilitate brownfield redevelopment / reuse represent an investment in the community by facilitating development on properties which are underused and thus not contributing their full potential of municipal property taxes.

Overview of Strategic Actions:

Municipal efforts to support brownfield redevelopment / reuse are grouped into the following coordinated Strategic Action Areas:

1. Creating a 'Brownfield' Data Base;
2. Financial Considerations
3. Marketing, & Promotion;
4. Municipal Leadership
5. Standard Processes with Predictable Outcomes
6. Monitoring and Evaluation

While the following strategy is directed to municipal initiatives to assist in brownfield redevelopment / reuse, it is recognized that some of the constraints to meeting this objective fall beyond municipal control. The real or perceived risk of environmental liability is one such area. While the new brownfields legislation and the availability of private environmental liability insurance programs in Canada help to address this concern to some extent, it is unlikely that this concern will be completely eliminated.

1. Brownfield Data Base

Problem:

The City has developed a preliminary inventory of approximately 175 potential brownfield sites based upon historical land use documents. There is a need, however, to create a more detailed inventory of these sites and others as they are identified for planning and marketing purposes and to establish an initial benchmark for evaluating the success of the strategy. The inventory would also provide an opportunity to consolidate information which has been gathered on an individual site basis relating to site assessment evaluations and site remediation efforts.

Action:

1. *Create and maintain an electronic data base to consolidate a variety of information useful for the redevelopment / reuse of known brownfield sites including ownership, past history, physical characteristics, level of risk and site assessment and remediation efforts.*

Schedules 1 and 2 outline the details relating to this action item.

2. Financial Considerations

Problem:

Research indicates that 'brownfield' sites have varying levels of contamination and thus varying levels of clean-up costs. It has been estimated that in only 10% of cases studies does the clean land value exceed clean-up costs thus making it attractive from a market perspective for redevelopment purposes. In 60 to 80% the cost of clean-up is such that it is unlikely that private sector redevelopment will occur without incentives being put in place given the increased difficulties and risks associated with brownfield properties. In a further 10 to 20% of cases the cost of clean-up is so high using traditional remediation approaches it is unlikely that private sector redevelopment / reuse would be pursued even with incentives because of the high costs, high risks and limited payback.

Background:

In recognition of the financial difficulties associated with brownfield redevelopment projects as well as the increased uncertainty and possible risk of increased costs once clean-up is undertaken, a number of jurisdictions have established brownfield legislation and funding programs for site clean-up. These jurisdictions include the United Kingdom, over 30 States in the USA, and the Province of Quebec. In Ontario the cities of Brantford, Cambridge, Windsor and Hamilton have all implemented local programs to facilitate brownfield redevelopment.

The Ontario Provincial Government has recently enacted new legislation to assist in brownfield redevelopment by providing municipalities with additional tools to offer financial incentives and legislative protection to limit liability. To date Provincial actions have not included any funding commitment for site clean-up. The brownfield legislation appears to limit potential assistance to that which is equal to site assessment and remediation costs.

To evaluate the effects of off-setting the additional environmental costs associated with brownfield sites, staff prepared the following generalized proforma evaluation using actual site assessment / remediation costs of a recently rehabilitated moderately contaminated site:

IMPACT OF SITE ASSESSMENT / REMEDIATION COSTS ON PROJECT FEASIBILITY

ITEM		BASE SCENARIO	WITH SITE ASSESSMENT /REMEDIAION COSTS OFF-SET
COSTS			
	Soft Costs (Fees/Studies)	\$714,669	\$714,669
	Land Costs	\$1,002,238	\$1,002,238
	Construction / Site Development	\$12,093,246	\$12,093,246
	Site Assessment / Remediation	\$575,000	
	Development Charges	\$1,044,785	\$1,044,785
	Taxes	\$26,210	\$26,210
TOTAL COSTS		\$15,456,148	\$14,881,148
REVENUE			
	Dwelling Unit Sales (125 townhouses + 20 semi-detached)	\$16,215,000	\$16,215,000
PROFIT		5%	9%

The analysis indicates that if the additional costs associated with site assessment and remediation are off-set, the project moves from an unfavorable position closer to an acceptable profit margin. The payback timeframe to recover the costs of site assessment and remediation from the increased taxes would be approximately 6 years. The analysis also indicates that even with such incentives being available, from a financial perspective, additional measures may be necessary to make these sites attractive for redevelopment. A detailed overview of this analysis is included in **Appendix 2**.

Actions

1. *Establish an 'Environmental Study Grant Program' to help off-set the cost of undertaking site assessments and preparing remedial action plans for contaminated sites.*

Typically, on potentially contaminated sites environmental investigations occur in two phases:

- a Phase 1 environmental site assessment which involves gathering information on past land use activities to determine whether previous activities on the site had the potential to contaminate the property, and consequently, whether there is a need for further site investigation. This Phase typically involves a search of existing records, a visual inspection of the site, and an interview with a former employee/owner, but does not involve taking samples; and
- a Phase 2 environmental site assessment which conducts on-site investigations to identify the type, nature and extent of contamination on the site with site remediation and monitoring recommendations.

Subsequent to this a site remediation plan (sometimes referred to as a Phase 3 study) is prepared identifying the manner in which any on site contamination will be cleaned-up.

Phase 2 environmental site assessments in particular can be quite expensive as the analysis requires systematic on site sampling of soils, groundwater, surface water, soil vapor, sediments and vegetation. These environmental site assessments can also occur over a period of time particularly if the contaminant is suspected of migration.

It is proposed that the City establish a 5 year pilot program of providing a grant to financially assist property owners with respect to 50% of the costs associated with completing necessary environmental site assessments of potential contaminated sites. The program would also be established to increase the environmental knowledge base and would assist in informing the City's groundwater protection strategy. In this regard it is proposed that a \$200,000 operating fund be established pursuant to the Community Improvement provisions of the Planning Act and be maintained for this purpose on a pilot project basis for a five year period after which it would be evaluated. This would allow approximately 10 properties per year to be evaluated. The grant program would only be available for Phase 2 Environmental site assessments and site remediation plan costs. In exchange for the grant, land owners would agree to permit the city to use the data collected. Eligibility would require a plan for site redevelopment.

Schedule 4 outlines details relating to this action item.

2. *Establish a 'Tool Box' approach incorporating the following types of financial incentives to off-set the costs associated with site assessment and remediation of brownfield sites:*
 - *Tax Increment-Based (or Equivalent) Grant Program*
 - *Tax Arrears Cancellation*
 - *Tax Assistance Policy During Rehabilitation (relevant brownfield legislation not yet proclaimed under the Municipal Act)*
 - *Consideration of Possible Development Charge Incentives*

Each individual brownfield site will have unique issues, attributes and circumstances associated with it. The intent of the 'tool box' approach is to allow property owners to apply a variety of programs in a manner which is tailored to the specific needs but which cumulatively will not exceed the costs of environmental site assessments and clean-up which are incurred. The approach is intended to 'level the playing field' by off-setting the additional costs which are incurred as a result of on-site contamination. Where a brownfield site also provides other community benefits such as a downtown location or the provision of affordable housing it is intended that any other incentives would also be available thus potentially making the site much more attractive for redevelopment / reuse. The following subsections briefly describe the proposed programs to be initiated on a 5 year pilot project basis:

Tax Increment-Based (or Equivalent) Grant Program

Simply defined 'tax increment equivalent grants' are a method of using the future increase in tax assessment and property tax revenues on a property associated with a proposed development project to pay for the specific costs associated with site assessment and remediation. This type of initiative is a program which works as follows:

- Both the pre-construction and post-construction property assessments are established and certified;
- The cost of the environmental clean-up is identified and certified;
- The difference between the 'pre-construction' taxes and 'post-construction' taxes (municipal portion) is calculated and this difference will be the portion eligible for a full or partial tax increment based grant to off-set site assessment and remediation costs. This grant is available for a set period of time set out in an agreement between the municipality and owner (i.e. 10 years);
- The cost of the environmental clean-up becomes debt which is assumed by a financial institution in the form of a rehabilitation loan to the property owner;
- As the project is built there is an increase in assessment and property tax revenues for that property;
- The municipality then forwards its portion of the tax increase to the financial institution over the period of time set out in the agreement until the rehabilitation loan is repaid.

Schedule 5 outlines details relating to this action item.

Tax Arrears Cancellation Policy

This program would apply to brownfield properties which are in tax arrears where a bona fide third party purchaser is interested in acquiring the site and remediating it. The approach promotes the redevelopment of 'brownfield' sites without exposing the municipality to the risk of ownership. This approach would apply to properties where the cost of environmental remediation and the property taxes plus penalties outstanding on the lands exceeds the market value of the property as a 'clean' site. The approach recognizes that it would be highly unlikely that a purchaser would pay more in site clean-up and outstanding taxes than the property is worth as a 'clean' site given the availability of other non-contaminated sites elsewhere. The tax write off approach would apply as follows:

- The market value of the property as a 'clean' site would be determined assuming no contamination exists;
- The cost of site assessment and remediation would be determined;
- The difference between the market value of the property and the site assessment / remediation costs would be established as the amount of the outstanding taxes that would be paid; and
- The balance of the outstanding taxes would be written-off.

The use of this approach would include a requirement to enter into an agreement with the municipality setting out the terms and conditions to be applied to the write-off including a requirement for a Record of Site Condition to be registered.

Schedule 6 outlines details relating to this action item.

Taxation Assistance During Rehabilitation

The brownfields legislation establishes a new financial tool which would allow municipalities to freeze or cancel all or a percentage of municipal and education taxes (with Ministry of Finance approval for the latter) during the rehabilitation and redevelopment time periods. The legislation allows tax relief to be initiated during the period of time when clean-up is being done until such time as is either specified by municipal by-law or when the assistance equals the cost of rehabilitation. The intent of the tax assistance is to reduce or cover the remediation costs, including site assessment. A municipal by-law is required for each property to which the assistance is to be applied.

Schedule 7 outlines details relating to this action item.

Development Charge Related Incentives

Some municipalities in Ontario have used the provisions of the Development Charges Act to pass a by-law that provides a development charge credit on contaminated properties equal to the site assessment and clean-up costs of the property. The owner must submit an estimate of the costs of the site remediation work for approval by the City. The development charge allowance cannot exceed the total development charge payable by an owner to the City of the project.

When the City reviews its Development Charges By-law in 2003, the City should review the merits of adopting a similar approach to support the development of brownfield sites.

Schedule 8 outlines details relating to this action item.

3. Marketing & Promotion

Problem:

Brownfield redevelopment and reuse is inherently more difficult than typical 'greenfield' development. This is due to additional and often uncertain costs associated with site assessment and remediation requirements, demolition costs, the financial risk versus the return and risk of liability. Both the development industry and lending institutions have been wary of brownfield redevelopment projects despite the availability of environmental liability insurance. Recent legislative changes in Ontario and the establishment of financial incentive tools can help to address these concerns but it is likely that brownfield redevelopment will remain a niche market. There is a need to demonstrate the viability of brownfield development opportunities to development interests both within and outside of the community.

Action:

1. *Identify and market strategic brownfield sites and municipal incentive programs by developing a marketing brochure and possible web based promotion material identifying key development related information as well as*

potential development concepts and the effects of incentive programs. (See Appendix 3 for an example)

Schedule 3 outlines details relating to this action item.

4. Municipal Leadership

Problem:

The City currently has ownership of a several brownfield properties which may have some difficulties in attracting private sector investment due to levels of contamination or the time required for site remediation and on-going monitoring requirements. Other properties require site assessment evaluations to determine levels of potential contamination and remediation requirements. The municipality may be able to facilitate the redevelopment of its sites by undertaking the necessary evaluations, determining a range of feasible after-uses and potentially entering into innovative partnership / ownership arrangements.

Additionally municipalities have been reluctant to initiate tax sale processes for brownfield properties in tax arrears due to the concern of inheriting liability for the cost of clean-up. Recent changes brought about by the Provincial brownfields legislation allow municipalities to initiate tax sale processes in order to conduct appropriate environmental site assessments without the risk of exposure to environmental liability.

Educating, informing and involving the public in a meaningful manner is a key element for successful brownfield redevelopment. In addition to involving the community in after-use decisions, the City can use its web site and other communications material to help the general public understand the importance for facilitating brownfield redevelopment / reuse.

Actions:

5. *Establish a reserve account as a funding mechanism for financing municipal brownfield initiatives including site assessments, the preparation of remedial clean-up plans, site monitoring, and possible site acquisition.*
6. *Continue to undertake site assessment and remediation of municipal properties, determine appropriate after-uses and initiate a request for proposal process to attract private sector partners to facilitate the reuse of the lands.*
7. *Utilizing the liability protections of the brownfields legislation identify strategic brownfield sites in tax arrears and initiate the municipal tax sale process as a means of providing legislative authority to enter onto the land to conduct site assessments in order to determine whether to conclude the tax sale process.*

8. *Ensure that the City's Brownfields Strategy constitutes an integral component of its growth management initiatives.*

Schedules 9, 10 and 11 outline the details relating to these action items.

5. Standard Processes with Predictable Outcomes

Problem:

Not only is brownfield redevelopment perceived as having risk from a financial perspective, often lack of clarity in municipal approval requirements and the additional time required to obtain municipal development approvals can further impede interest in this form of development.

Actions:

1. *Develop a municipal protocol to identify potentially contaminated sites and to consistently advise development interests of municipal requirements for brownfield remediation. Take a multi-disciplinary team approach by having staff familiar with brownfields issues provide guidance and input into all brownfield proposals.*
2. *Ensure that potential brownfield redevelopment opportunities are an integral component of community improvement plans for established areas and that the range of appropriate after-uses be identified through community consultation as part of a comprehensive community plan as opposed to a case by case basis.*
3. *Establish an appropriate zoning framework to provide market opportunities for an acceptable range of uses for brownfield sites in order to minimize the need for site specific planning approval processes.*

Schedules 12 and 13 outline the details relating to these action items.

6. Monitoring and Evaluation

All municipal initiatives in support of a brownfields redevelopment strategy should include a monitoring component to evaluate the achievement of objectives relative to targets. The financial component of this strategy is proposed as a 5 year pilot program. Monitoring will also assist in determining whether the pilot should be continued or not.

Action:

1. *Establish a benchmarking system to measure the success of initiatives concerning brownfield redevelopment.*

The following chart summarizes the Brownfields Strategy elements while the subsequent schedules provide further details.

THEME	ACTION/ INITIATIVE	DETAIL	RATIONALE	RESPONSIBILITY	PRIORITY	COST
Development and Maintenance of Brownfields Database	Brownfields Database Development	Schedule 1	<ul style="list-style-type: none"> To gather information regarding sites for marketing and planning purposes Informs the designation of Strategic Brownfield Sites Forms the basis of the economic development database as well as benchmarking efforts for evaluating the success of the strategy To act as a tool for further marketing of sites for redevelopment To consolidate investigation results 	Planning/ Economic Development/ Engineering/ Finance	Year 1	<ul style="list-style-type: none"> Staff time
	Characterize Brownfield Sites	Schedule 2	<ul style="list-style-type: none"> Characterize risk (low/med/high) via Phase 1 scan on identified strategic properties in the database For marketing and informational purposes 	Consultant Planning/ Economic Development Works	Year 2	<ul style="list-style-type: none"> Staff time Consulting fees
Marketing	Identify & Market Strategic Brownfield Sites	Schedule 3	<ul style="list-style-type: none"> Using database identify several strategic sites and prepare a marketing brochure identifying the types of incentives available and potential development concepts 	Economic Development	Year 2	<ul style="list-style-type: none"> Staff time

Reducing Financial Barriers for Private Sector Investment	Establish Environmental Study Grant Program	Schedule 4	<ul style="list-style-type: none"> encourage private sector investment in environmental site assessments to gain information relating to existing contamination to quantify environmental risks and clean-up costs 	Planning/ Finance	Years 1&2	<ul style="list-style-type: none"> Staff Time \$200,000 annual operating fund to allow up to 10 assessments per year
	Establish Tax Increment-Based (or Equivalent) Grant Program	Schedule 5	<ul style="list-style-type: none"> to stimulate private sector investment in redevelopment / reuse to off-set private sector clean-up costs without incurring debt to the municipality to increase the long-term municipal tax base 	Planning/ Finance	Requires CIP and Ministerial Approval Year 1 Effective in Year 2	<ul style="list-style-type: none"> Deferred taxation revenue
	Develop Tax Arrears Cancellation	Schedule 6	<ul style="list-style-type: none"> To reduce the burden of uncollectible taxes To stimulate redevelopment by legitimate third party interests. To remove bad debts from municipal accounts via tax write-offs 	Planning/ Legal/ Finance	Year 2	<ul style="list-style-type: none"> Staff Time Amount of taxes which might have been recoverable.
	Establish a Tax Assistance Policy	Schedule 7	<ul style="list-style-type: none"> To reduce costs during site assessment and rehabilitation time periods 	Planning/ Legal/ Finance	Year 2	<ul style="list-style-type: none"> Staff Time Taxation revenue during these time periods
	Review the City's Development Charge Policy to Promote Brownfield Development	Schedule 8	<ul style="list-style-type: none"> A potential mechanism to significantly reduce the up front costs of site assessment / remediation. 	Planning / Finance	Year 2&3	<ul style="list-style-type: none"> Staff time Amount of development charge revenue would be reduced.

Municipal Leadership	Establish an Reserve Account for Site Assessments/ Remediation of City-owned Land	Schedule 9	<ul style="list-style-type: none"> To provide a source of funding for municipal brownfield initiatives related to site acquisitions/investigations, assessment and clean-up. 	Planning/ Finance/ Legal	Year 2	<ul style="list-style-type: none"> Unused funds for Environmental Study Grants rolled over into this account 20% of increase in assessment for the rehabilitated brownfield sites for 10 years
	Facilitate reuse of municipally owned sites	Schedule 10	<ul style="list-style-type: none"> To promote reuse of municipally-owned sites To determine potential after-use To consider innovative public/private partnerships 	Planning/ Legal	Year 3	Staff time
	Establish Tax Sales Process	Schedule 11	<ul style="list-style-type: none"> To assess site conditions of lands in tax arrears To establish a framework for decision-making with respect to the disposition of lands in tax arrears. 	Finance/ Legal/ Economic Development/ Planning	Year 2	Staff time
Coordinated Municipal Process/ Predictable Outcomes	Clarify process and municipal requirements for brownfield remediation	Schedule 12	<ul style="list-style-type: none"> Establish a protocol to clarify expectations and processes for City Staff and for private developers 	Planning/ Works/Economic Development	Year 1	Staff time
	Community Improvement Plans/Zoning	Schedule 13	<ul style="list-style-type: none"> To make brownfields an integral part of community improvement efforts To establish appropriate zoning to promote redevelopment / reuse while minimizing the need for planning approvals processes. 	Planning	On-going	Staff time

Strategy Targets/ Monitoring	Set Strategy Benchmarks	Schedule 14	<ul style="list-style-type: none">To measure the effectiveness of the strategy	Planning	Year 1 – targets Year 5 - evaluation	Staff Time
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BROWNFIELDS REDEVELOPMENT STRATEGY

DETAILED ACTION / INITIATIVE SCHEDULES

Schedule 1

Action/Initiative: Brownfield Database Development

Area:

- Applies to properties city-wide

Theme:

- Information

Purpose:

- To gather information regarding sites for marketing and planning purposes
- Informs the designation of Strategic Brownfield Sites
- The database acts as a tool for marketing of sites for redevelopment
- To consolidate site assessment and investigation results

Departments:

- Planning (lead: coordination and product acceptance)
- Consultant (information technology development)
- Economic Development (input for database content and interface and product acceptance)
- Engineering (input for database content)
- Taxation (input relative to properties in tax arrears)

Priority:

- Year 1

Cost:

- Staff time
- Maintenance and updating costs of database (AMANDA)
- Title Searches

Details:

- Identify all known brownfield sites in the existing built-up area of the City of Guelph: (see following draft template for data field information characteristics to be gathered)
- Build on information gathered in support of the groundwater protection study and mapping done by the Planning and Works Departments.
- Provides information to potential developers to facilitate redevelopment
- Provides information relating to the potential uses and current environmental risks associated with brownfields to the general public
- Disclaimer necessary on all publications to limit municipal liability.

Specifications:

- Queriable, expandable database
- Linked to GIS (should include mapping component and Land Registry Office Identifiers)

Schedule 1A:

Proposed Brownfields Database fields

Geographic Data							
GIS Parcel identifier	Street #	Street Name	Street title				
Ownership and Occupancy information							
Current Owner	Owner contact information	Tenant #1 (Name)	Contact Information (Tenant #1) <ul style="list-style-type: none"> • Contact name • Telephone number • Email address 	Tenant #1 Use (category)	Tenant #1 Use (Specific)	Ownership History	

			<ul style="list-style-type: none"> Mailing address 				
Policies pertaining to the property							
Official Plan Designation	Zoning	Draft plan approved	Anticipated /preferred future uses	Known development constraints			
Physical Characteristics							
Existing structures	Existing services	Lot size and shape (map)	Adjacent Uses	Historical architectural features			
Environmental assessment							
Range of known previous uses	Range of materials likely used/stored/t ransferred on-site	Major on-site incidents (major spills, fires, etc.)	Phase 1 ESA status	Contaminatio n risk (high low medium)	Phase 2 ESA status	Remedial Action Plan / Phase 3 ESA status	Remediation status
Financial and Tax Status							
Assessed value	Current tax assessment	Tax arrears status	Crown lien status				
Others							
Infrastructure Condition	Other Utilities						

Schedule 2

Action/Initiative: Characterize Brownfield Sites

Area:

- Applies to properties city-wide

Theme:

- Development and maintenance of a Brownfields Database

Purpose:

- To evaluate the data gathered in the Brownfields Database
- To characterize risk (low/med/high) via Phase 1 Scan on identified strategic properties in the database
- To use this information for other municipal initiatives (i.e. groundwater protection)
- For marketing and informational purposes

Department:

- Engineering (lead: coordination and site identification, product acceptance)
- Consultant (gather and analyze site data to characterize sites)
- Economic Development (strategic site identification / property owner contact)

Priority:

Year 2

Cost:

- Consulting fees for qualified brownfields environmental expert (toxicologist/geoscientist/engineer). Approximately \$5,000 per site assessment for a Phase 1 analysis.
- Staff time

Details:

- City Staff to identify strategic sites for redevelopment / reuse based upon site area, location, services etc.
- Hire a consultant to characterize the identified brownfield sites to provide an improved understanding of low, medium and high environmental risks

Schedule 3

Action: Identify and Market Strategic Brownfield Sites & Incentive Programs

Area:

- City -wide

Theme:

- Marketing

Purpose

- Recognizing that brownfield development is inherently more difficult and is perceived as risky it is necessary to market the development potential of such sites to the development industry both within and outside of the community. The brochure would include information relating to zoning, development concept as well as the types of incentives which could be obtained for approximately 15 to 20 sites

Priority:

- Year 2

Departments:

- Economic Development

Costs:

- Staff time
- Graphic Design, copy writing and photography fees
- Publication (hard copy, CD and on-line)
- \$30,000 for brochure

Details:

- Include sites, programs, concepts
- Requires pre-consultation with the development industry to ensure it address needs.

Example: See Appendix 3

Schedule 4

Action/Initiative: Establish Environmental Study Grant (ESG) Program

Application:

- City-wide

Theme:

- Reducing Financial Barriers

Purpose:

- To encourage private sector investment in environmental site assessments
- To encourage development in existing built-up areas of the City by partially offsetting the costs of environmental site assessments.
- To gain information relating to existing contaminants for public health and marketing purposes.
- To quantify environmental risks and clean-up costs.
- To inform the City's Groundwater Protection Strategy.
- The program seeks to increase the environmental knowledge base as well as reward redevelopment / re-use.

Rationale:

- The uncertain outcomes, high upfront costs of environmental studies and legal liability issues relating to brownfield properties are inhibiting information gathering regarding the extent of the required clean-up.

Departments:

- Planning (lead: coordination)
- Finance (budgeting and dispensing of funds)
- Legal (developing grant agreements)
- Works

Priority:

- Year 1

Costs:

- Staff time
- \$200,000 annual operating fund to allow approximately 10 site assessments per year

Details:

- Environmental Study Grants reimburse up to 50% of the cost of Phase 2 environmental site assessments and for site remediation plans for brownfield development sites.
- Developers and the City share the costs of the Environmental Assessments (ESA's) through Environmental Study Grants.
- In order to be eligible for the grant, developers must first complete and submit a Phase I ESA (review of previous uses) and demonstrate that on-site contamination is likely.

- The purpose of the environmental studies to be funded by this grant shall be to:
 - Confirm and describe existing contamination at the site (Phase II ESA); and/or
 - Develop a remedial work plan to remove, treat, or otherwise manage on-site contamination.
- The City of Guelph agrees to provide:
 - A grant in the amount of 50% or up to \$10,000 of the costs related to Phase 2 Environmental Assessments upon submission of the results of the study.
 - The cost of Remedial Clean-up Plans including remedial investigations and pilot scale testing will be reimbursed in the amount of 50% or up to \$10,000 of the costs upon submission of the results of the study.
 - City Council may alter the above-noted upset limits based upon the specific context such as the size of the property provided the City contribution does not exceed 50% of costs of such studies.

Application Procedure:

- Any property owner or purchaser wishing to be considered for an Environmental Study Grant must complete and submit an Environmental Study Grant Application Form as well as submit a report outlining the results of a Phase 1 ESA demonstrating the potential for on-site contamination.
- Applications shall include a brief proposal for the environmental study, a detailed work plan and consultant's quote of the expected costs for the required study as well as the planned redevelopment use.
- Applicants must enter into an Environmental Study Grant agreement with the City. This agreement specifies the maximum amount of the grant, the requirements of the grant and the owner's obligations should the owner default on the Agreement.
- The applicant must also enter into agreement with the City of Guelph allowing the City the right to inform the public of the existence of the study. Permission shall be given to the City to circulate said studies to internal City departments, to use the study results in compilation of an area-wide environmental database and to advise other project proponents that a study or studies exists, but said studies will not be released by the City.
- Studies must be completed by qualified, independent consultants as defined by Provincial brownfields legislation.
- Upon completion of the environmental study, the grantee must submit one electronic and one hard copy of the study results, along with an invoice indicating complete payment for the study to the City of Guelph.
- Upon receipt of the study and invoice the Finance Department will disburse the amount of the grant.

Conditions and Restrictions

- Applications will be accepted throughout 5 years of a pilot program.
- The City may discontinue this grant program at any time. Previously approved program participants will continue to receive Study Grants.
- The Environmental Study Grant Program funding will only be available to properties where a Minister's Order for clean-up has not been issued.
- Grants must be approved prior to the start of any applicable environmental study. It is the intent of this program that applications may not be made retroactively
- Purchasers must provide written consent to conduct the environmental study from the owner of the property;

- The City will not forward funds until the city receives the results of the study. If the environmental study is not submitted to the City of Guelph within 2 years the grant allocation will be reallocated to other projects.
- No more than two (2) Environmental Study Grants will be awarded for any brownfield property (i.e. for the Phase 2 study and for the Remedial Action Plan).
- Brownfield properties in tax arrears are not eligible for the Environmental Study Grant. All property taxes must be paid or cancelled.
- Grants will be awarded based on strategic priority of the redevelopment of a site, on a first come, first served basis.
- If grant funds remain unallocated, the City reserves the right to roll leftover funds from the annual operating budget into a reserve fund for brownfield initiatives. The contents of this reserve fund will pay for environmental site assessments of city-owned and/or strategic land parcels.
- The amount of any Environmental Study Grant(s) will be deducted from the Eligible Redevelopment Costs available for tax increment funding for the same property. It is the intent of this program that other brownfields incentives may be used to off-set site assessment costs not reimbursed by the Environmental Study Grant.
- Program eligibility will be determined by the Planning Department, in consultation with other departments as necessary.
- Applications will be reviewed and approved by the Planning Department.
- The City reserves the right to independently audit the costs of the Environmental Site Assessment studies.

Schedule 5

Action/Initiative: Establish Tax Increment-Based (or Equivalent) Grant Program

Area:

- Currently applicable only in the downtown area.
- Recent brownfields legislation will allow this type of financial incentive in community improvement project areas.
- Implementing Community Improvement Plans are required and must be approved by the Province

Theme:

- Reducing financial barriers

Purpose

- To stimulate private sector investment in redevelopment
- To reimburse private sector clean-up costs without incurring debt to the municipality
- To increase the long-term municipal tax base
- To reward remediation and give security for lending institutions

Rationale:

- If the project was not built, the municipality would not be receiving increased tax revenue.
- Once the rehabilitation loan is paid the municipality collects the full amount of municipal taxes for the remaining lifespan of the project.
- The municipality does not incur actual debt because the developer and the financial institution finance the entire project.
- Lending institutions may be more willing to get involved with 'brownfield' sites as the repayment of a portion of the rehabilitation loans is secured through the agreement between the municipality, the land owner and the lending institution.

Departments:

- Finance (calculate and disburse tax rebates)
- Planning (lead: coordination)
- Legal (prepare agreements)

Priority:

- Year 1 – Prepare community improvement plan
- Year 2 - Implementation

Costs:

- Staff time
- In the event that brownfield redevelopment takes place, the municipal tax base will grow more slowly.

Details:

- Grants are based on the future increase in tax assessment and consequent increase in property tax revenues related to brownfield redevelopment projects. As property

assessment rises, taxes payable on a property also rise. The developer pays the increased taxes to the City as normal and is subsequently provided a grant for the municipal portion of the increase, not to exceed Eligible Brownfield Redevelopment Costs as defined below.

- Any tax increment funding will not exceed the costs of site assessment and site remediation or shall not exceed 10 years duration whichever is the lesser amount.
- tax increment-based grant will only be available when building permits have been issued and the assessed value of the property increases. It is the intent of this program that tax increment-based grants should encourage not only remediation of contaminated sites but also their redevelopment and reuse.

Eligible Brownfield Redevelopment Costs include:

- Phase 2 Environmental Site Assessment costs
- Costs of preparing remedial work plans
- Demolition costs
- Site rehabilitation costs
- Costs of preparing a Record of Site Condition
- Costs of rehabilitating building contamination for projects involving re-use of existing structures.

Process

- Both the pre-construction and post-construction property assessments are established and certified. The City reserves the right to obtain an independent third party to review the proposed remediation program and costing.
- Eligible Brownfield Redevelopment Costs are identified and certified;
- The owner continues to pay the property taxes for the site at its pre-construction assessment value.
- The difference between the 'pre-construction' taxes and 'post-construction' taxes (municipal portion) is calculated.
- Reassessment must result in higher assessment. It is the intent of this program that tax increment-based grants should encourage not only remediation but also redevelopment and adaptive re-use.
- This difference is the portion eligible for a grant to offset site remediation costs.
- This grant is available for a set period of time set out in an agreement between the municipality and owner for a maximum of 10 years.
- The grant is not to exceed Eligible Brownfield Development Costs for the property and shall be limited to the cost of site assessment and site remediation costs.
- A Record of Site Condition must be prepared certifying site remediation to appropriate contaminant levels according to Provincial criteria must be submitted to the City and acknowledged by the Ministry of the Environment before any grants are issued.
- The grant can be issued to the property owner or a lending institution.
- An agreement must be entered into by the property owner and the City, regarding the details of the tax increment-based grant.

Details:

- Tax increment-based grants will be provided in equal installments in the amount of 80% of the municipal portion of the property tax increase. The remaining twenty percent of the municipal portion of the property tax increase is paid by the property owner and allocated to a brownfields reserve account for municipal brownfield initiatives.
- The definition of vacant land will refer to the status of the property at the time of program approval. If subsequent demolition occurs the tax increment will be the difference between the assessment at the time of program approval and that following reassessment. It is the intent of this clause to avoid unnecessary demolitions and support adaptive re-use of architecture.
- Grant applications cannot be retroactively applied.
- It is the intent of this program that tax increment-based grants can be used to only the eligible Brownfield Redevelopment Costs exclusive of any other brownfield incentive provided.
- Applications for tax increment-based grants will be reviewed and approved by the Planning Department
- The City reserves the right to independently audit Eligible Brownfield Redevelopment Costs.
- The City and the property owner will enter into an agreement. This agreement will specify the terms of the financing; the activities which will be considered Eligible Brownfield Redevelopment Costs, the duration of the grant, the owner's obligations should the owner default on the Agreement, and any other requirements specified by the City.

Schedule 6

Action / Initiative: Develop Tax Arrears Cancellation

Application:

- City-wide

Theme:

- Reducing financial barriers

Purpose:

- To acknowledge that certain taxes are uncollectible
- To stimulate brownfield redevelopment by bona fide third parties.
- To encourage the sale of brownfield sites to new owners

Rationale:

- Accrued tax arrears can be significant in relation to the value of the property. These taxes may be uncollectible, especially in the case of abandoned or orphaned properties. Where outstanding taxes plus clean-up costs exceed the clean land value redevelopment is highly unlikely.

Departments:

- Finance (provide information on tax arrears and recommendations to Council)
- Legal (create agreements)

Priority:

- Year 2

Costs:

- Staff time
- Amount of unpaid taxes which might have been recoverable

Details:

- This is authorized by the Municipal Act, Section 354. Where the Treasurer of a municipality deems that taxes on a property are uncollectible, the Treasurer can recommend that tax arrears be written off. Council approval is required.
- Realty tax arrears on contaminated properties can be cancelled as an incentive to potential purchasers to redevelop such properties.
- The property must have a minimum of 3 years of tax arrears.
- There must be evidence of environmental contamination from a Phase 2 study exceeding Provincial standards.
- The amount of tax arrears plus estimated clean up costs must exceed the clean land value of the property. The purchaser must enter into an agreement with the City where the purchaser agrees to obtain an appraisal of the property as if there was no environmental contamination (to determine whether the tax arrears are significant in relation to the value of the uncontaminated property).
- The purchaser must be a *bona fide* arm's length purchaser or lien-holder.

- For the purpose of this program, a bona fide purchaser is defined as a person who submits:
 - A copy of a signed offer to purchase; and,
 - A declaration that the individual is not selling to a related interest
- The purchaser must agree to prepare a site remediation plan and the purchaser must also agree to clean up the site to Provincial standards and submit a Record of Site Condition certifying that the clean-up has been completed within a defined time period. The Record of Site Condition must be acknowledged by the Ministry of the Environment. The agreement with the City will identify the extent and expected costs of the clean-up as identified in remedial clean-up plan.
- It is the intent of the City that tax cancellation agreements may be used in conjunction with other brownfield incentives provided that the cumulative application of these incentives does not exceed site assessment and site remediation costs.
- Grant applications cannot be retroactively applied.
- If the property remediation is not initiated within the specified time period, any grants will be forfeited and repayable to the municipality.
- The City and the property owner will enter into a Tax Cancellation Agreement. This agreement will specify the terms of the tax cancellation, such as the total amount of the grant; the owner's obligations should the owner default on the Agreement, and any other requirements specified by the City.
- Tax cancellation applications will be reviewed by the Planning and Finance Departments for a joint recommendation to Council.
- Each tax cancellation requires council approval

Schedule 7:

Action/Initiative: Establish a Tax Assistance Program

Application:

- City-wide

Theme: Reducing Financial Barriers

Purpose:

- To promote site assessments and remediation of brownfield sites.
- To encourage new development in existing built-up areas of the City.
- To gain information relating to environmental contamination.

Rationale:

- Brownfield sites have increased costs associated with the need to undertake Environmental Site Assessments and for the cost of site rehabilitation. If these up front costs can be reduced the financial feasibility for redevelopment / reuse can be increased.

Departments:

- Finance
- Planning
- Legal

Priority:

- Year 2

Costs:

- Loss of taxation revenue during the time period the incentive applies.

Details:

- Permitted pursuant to brownfields legislation (not yet proclaimed)
- Requires the property to be within an area affected by a Community Improvement Plan pursuant to the Planning Act.
- Applicant would apply to City to freeze or cancel all or a percentage of municipal and education taxes during site clean-up and redevelopment after a Phase 2 Environmental Assessment is completed and submitted to the City demonstrating that Provincial standards cannot be met in order to file a Record of Site Condition;
- Applicant would be required to enter into an agreement with the City specifying the terms of the relief, the duration of relief, the owner's obligations and other requirements specified by the City.
- City would request the Province to provide relief from Education portion of taxes.

Schedule 8:

Action Initiative: Review Development Charges Policy

Application:

- City-wide (in accordance with Section 28 of the Planning Act)

Theme:

- Reducing Financial Barriers

Purpose:

- To stimulate private sector investment in brownfield redevelopment by reducing up front costs equal to additional site assessment and remediation costs

Rationale:

- Brownfield sites have increased costs associated with the need to undertake Environmental Site Assessments and for the cost of site rehabilitation. If these up front costs can be reduced the financial feasibility for redevelopment / reuse can be increased. Development charges can represent a significant up front cost which could be applied to off-setting site assessment / remediation costs.
- Brownfield redevelopment should be evaluated as one of several municipal objectives which could be realized through an overall municipal fiscal policy relating to development charges.

Departments:

- Finance
- Planning
- Economic Development

Priority:

- Years 2&3

Costs:

- Staff time to develop fiscal policy and associated research
- Loss of development charge revenues

Schedule 9:

Action/Initiative: Establish a Reserve Account for Municipal Brownfields Initiatives Including Site Assessments/Remediation of City-Owned Land

Theme:

- Municipal Leadership

Purpose:

- To provide an account to provide funds for municipal brownfield initiatives.
- These funds shall be used by the City to finance site assessment and remediation (including Phase 1 & 2 Environmental Site Assessments, the preparation of remedial clean-up plans, site monitoring and possible site acquisition) of publicly owned brownfield sites including lands subject to a municipal tax sale process.

Funding Source:

- Funding for Environmental Study Grants which are not allocated by the end of a budget year to the private sector will be reallocated into a Brownfields Reserve Account.
- Additionally for a period of 10 years following the redevelopment of a brownfields site 20% of the increase in assessment will be allocation to this reserve fund.

Departments:

- Finance (disbursement of funds)
- Planning /Economic Development (identification of potential site acquisitions)
- Engineering (site remediation/assessment efforts)

Priority:

- Year 2

Costs:

- Staff time
- Ensures that funds identified for brownfield initiatives are used for that purpose.

Schedule 10

Action / Initiative: Facilitate the Redevelopment & Reuse of Municipally Owned Sites

Theme:

- Municipal Leadership

Purpose:

- To lead by example
- To return municipally owned sites to productive use

Rationale:

- The City currently owns several difficult brownfield sites which may be unattractive for private sector acquisition due to levels of contamination. Remediation of these sites may also take a long time period.
- These sites may also have a limited range of feasible after-uses given the cost of rehabilitation and may require innovative partnership / ownership arrangements to facilitate their re-use.
- The City can demonstrate the potential for returning brownfield sites to a viable use and assist in community improvement initiatives by undertaking clean-up and facilitating re-use.

Departments:

- Planning
- Works
- Economic Development
- Legal

Priority:

- Year 3

Cost:

- Site assessment & remediation costs
- Costs to establish appropriate range of after-uses
- Staff time to prepare RFP and negotiate with interested parties

Schedule 11

Action / Initiative: Establish Tax Sale Process (for both City owned and Privately-owned properties)

Theme: Municipal Leadership

Purpose:

- To monitor lands in tax arrears
- To establish a framework for decision-making with respect to sales of lands in tax arrears.
- To establish a framework for decision-making with respect to municipal acquisitions based on environmental profiling

Rationale:

- To recoup lost tax revenues through tax sales or strategic acquisitions
- To undertake site assessment of such properties to identify environmental risks and possible constraints to redevelopment / reuse utilizing liability protections offered under the new brownfields legislation
- To protect the community from environmental hazards associated with abandoned properties
- To remove bad debts from municipal accounts

Departments

- Finance
- Legal
- Economic Development
- Planning

Cost:

- Staff time

Priority:

- Year 1

Details:

- Identify properties with tax arrears.
- The municipal tax sale process can be used as a means of providing legislative authority to enter onto the land to conduct site assessments to identify environmental risks and possible limitations on redevelopment / reuse during a one-year period following a failed tax sale process (in accordance with clause 354(2)(a) and 354(3) of the Municipal Act).
- Liability protections are providing by the brownfields legislation during such investigations and during the one-year period the municipality can decide whether or not to assume ownership (note that municipality does not have the right to enter onto the property during this time).
- Use the information to market the site and to determine whether to conclude the tax sale process.

Schedule 12

Action / Initiative: Clarify Process and Requirements for Brownfield Remediation

Theme:

- Coordinated Municipal Process/Predictable Outcomes

Purpose:

- To clearly outline municipal expectations relating to site assessment and clean-up processes

Rationale:

- Will assist the private sector in determining timing and cost elements associated with brownfield redevelopment / re-use

Departments:

- Planning (lead: coordination)
- Works / Economic Development

Priority

- Year 1

Costs:

- Staff time

Details: - Schedule 12 A – Brownfields Protocol – City of Guelph

PROTOCOL FOR DEVELOPMENT PROPOSALS/APPLICATIONS RELATING TO POTENTIAL 'BROWNFIELD' SITES

PURPOSE:

To identify potentially contaminated sites and to ensure that a consistent review process / requirements is set out for such sites.

To limit the Corporation's exposure to liability issues.

PROTOCOL:

Step 1: Identifying Sites of Potential Contamination:

Use the following resources to determine if the application is on or adjacent to a site that may be contaminated as a result of a previous use:

- Brownfields mapping inventory;
- Within 500 m of a former waste disposal site as per the City inventory;
- Inventory of properties with site assessment reports and Record of Site Conditions submitted to the City as per AMANDA (*inventory to be developed in 2002*);
- Require the applicant to complete the attached Environmental Screening Criteria in *Appendix 1* to 'flag' uses which have a medium to high risk of having the potential to be contaminated.

If any of the uses where fuels, chemicals, pesticides, or other potential contaminants have been stored on site exist or did exist on the whole or part of the site, or on an adjacent site, then the site should be considered as having the potential to be contaminated.

Even if the screening protocol does not identify uses with potential contamination but it is suspected that such contamination exists based on first or second hand knowledge of past land use activities, then the site should be considered as having the potential to be contaminated.

If the lands are identified as having been remediated the 'Record of Site Condition' must be submitted with the application. It will be necessary to review it to confirm that it applies to the proposed use (i.e. if a site is remediated to industrial/commercial standards a new Record of Site Condition would be required if residential or institutional uses are proposed.)

Step 2: Ensure that the Application Form Acknowledges the Former Use and that the Applicant Signs the Responsibility Clause.

Where based upon the preliminary review of the information in Step 1, the site is considered as having the potential to be contaminated, the owner shall sign the Responsibility Clause as set out in *Appendix 2* which identifies the former uses/activities, the possibility of contamination and acknowledges the owner's responsibility to comply with applicable laws and Provincial guidelines in these regards. Such Responsibility Clause shall form part of any application submitted for development on such lands.

Step 3: Advise Other City Departments of the Possible Environmental Condition:

Where based upon the preliminary review of the information in Step 1, the site is considered as having the potential to be contaminated, convene a short inter-Departmental meeting with the 'Brownfields Contacts' to review the proposal and confirm any issues.

(The intent is to have Staff in each Department familiar with brownfields issues provide input and guidance at the front end of the process).

Departments to be involved include:

- Works
- Planning
- Legal
- Building
- Other Departments (i.e. Economic Development, Recreation) as required.

Step 4: Advise Applicant in Writing of City Requirements:

Where based upon the preliminary review of the information in Step 1, the site is considered as having the potential to be contaminated, advise the applicant in writing as part of the application acknowledgement letter that as a condition of approval for the use proposed;

- a 'Record of Site Condition' as set out in the 'Ministry of Environment Guideline for Use At Contaminated Sites in Ontario' must be submitted demonstrating that the site is in compliance or has been remediated to Provincial standards;
- the 'Record of Site Condition' must be to the satisfaction of the City and must be acknowledged by the Ministry of the Environment prior to final approval or approved by the Ministry in the instance where a site specific risk assessment is undertaken;
- the 'Record of Site Condition' must be signed by a qualified professional;
- that additional supporting material including Environmental Site Assessments and any 'Remedial Work Plan' may be required to be submitted in support of the application to provide adequate information to determine the feasibility of giving a conditional approval. It should clearly be identified that the City is not approving any such studies but rather it will be relying on the Record of Site Condition to verify that the site is clean for the proposed use.

- Attach the relevant Official Plan policies relating to the City's requirement for a Record of Site Condition to the letter.
- Ensure a copy of the letter is placed in the file.

Step 5: Determining if Conditional Approval Can Be Given:

Where supporting documentation but not an acknowledged MOE Record of Site Condition is submitted with a development application:

- The information should be circulated to the 'Brownfield Contacts' in the other relevant City Departments for review and comments;
- A short inter-departmental meeting should be set up to coordinate comments and develop a common City position as to:

'Whether or not enough information has been presented to conclude that conditional approval to the proposal can be considered?'

Where outstanding issues exist with respect to the adequacy of the support information the applicant shall immediately be advised in writing of the concerns and reasons for them.

If a Record of Site Condition that is acknowledged by the Ministry of Environment is submitted with a development proposal no conditional approval in this regard is required.

Step 6: Applying the Approval Condition:

When it is determined that it is appropriate to consider a conditional approval to a development proposal on potentially contaminated lands, the requirement to obtain a Record of Site Condition that is acknowledged by the Ministry of the Environment shall be secured through conditions of draft plan of subdivision or through the use of Holding Zone provisions. The following standard wording shall be used:

"That the owner be required to submit a Record of Site Condition to the City and the Ministry of the Environment. The Record of Site Condition shall be signed by a qualified professional and shall be to the satisfaction of the City. Acknowledgement of receipt of the Record of Site Condition from the Ministry must be received prior to final approval."

Step 7: Final Approval:

Once the Ministry has acknowledged receipt of the Record of Site Condition, final approval of the development can be given and the following steps should be taken:

- Updating of the AMANDA inventory of Record of Site Conditions and listing of Site Assessment / Remedial Work Plan documents;
- Advise Building of the Final Approval.

APPENDIX 1

ENVIRONMENTAL SCREENING CRITERIA FOR EXISTING OR FORMER USES

Please check any applicable situation:

Land Use/Activity	Relative Risk	Rationale
Abattoir	Medium	Potential fuel storage for vehicles
Abrasives Manufacturer	High	Handling and storage of adhesives, heavy metals, fuel storage
Agricultural	Medium	Fuel storage, pesticide storage

Aircraft and Aircraft Parts Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals
Aluminum Products Manufacturer	High	Storage of petroleum products; deposition of heavy metals from air emissions
Appliance Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals
Asphalt Plant or Handler	High	Handle large volumes of chemicals
Boiler Manufacturer	High	Handling and storage of lubricants and solvents
Box Manufacturer	High	Handling and storage of printing inks, solvent-based glues and lubricants
Bulk Fuel Terminal	High	Storage of large volumes of petroleum products
Bus Terminal	High	Storage of petroleum products
Cannery	High	May have on-site wastewater treatment lagoons
Car Dealer/ Rental Agency	Medium	Possible fuel storage
Carpet Manufacturer	High	Chemicals used to treat and dye carpets
Chemical Manufacturer	High	Handle and store large volumes of chemicals
Concrete Products Manufacturer	Medium	Possible fuel storage
Correctional Centre	Medium	Possible fuel storage
Cutlery Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals
Dairy	High	May have on-site wastewater treatment lagoons
Distillery	High	Fuel storage
Distribution Facility	Medium	Possible fuel storage for vehicles
Dry Cleaner	High	Use of chlorinated solvents
Electrical Equipment Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals, PCB handling in the past
Fastener Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals
Fire Station	High	Fuel storage
Foundry	High	Fuel storage; on-site waste disposal; heavy metals
Fruit/Vegetable Processing Plant	High	May have on-site wastewater treatment lagoons
Galvanized Metal Products Manufacturer	High	Handling and storage of large volumes of chemicals
Gas Station	High	Fuel storage
Golf and Country Club	Medium	Storage of pesticides and lawn care chemicals
Hardware Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals
Hospital	Medium	Possible fuel storage
Incinerator	High	Fuel storage; depositions from air emissions
Industrial general	Medium	Possible fuel storage, on-site disposal
Laboratory	Medium	Chemicals
Landfill	High	Leachate, methane gas
Lighting Manufacturer	High	Handling and storage of oils, paints, solvents, and surface treatment chemicals
Lumber Yard	Medium	Fuel storage for vehicles, treatment of wood
Machine Shop	High	Handling and storage of solvents, oils and paints
Marina	Medium	Fuel storage
Metal Casting Operation	High	Solvent baths, metals deposition from air emissions
Metal Products Manufacturer	High	Handling and storage of oils, paint and solvents
Motor Vehicle Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals
Motor Vehicle Repair Facility	High	Storage of volumes of petroleum products and paints
Oil Refinery	High	Storage of large volumes of petroleum products
PCB storage site	High	PCB
Plastic Products Manufacturer	High	Handle and store large volumes of chemicals
Plating Shop	High	Use large volumes of hazardous chemicals

Plywood Plant	High	Storage of adhesives, paints, varnishes, machine lubricants and cleaning solvents
Police Station	Medium	Possible fuel storage
Printer	Medium	Inks and solvents used, volumes depend on size of operation
Quarry	Medium	Possible fuel storage
Race Track – Motor Vehicles	High	Storage of volumes of petroleum products
Railway Line / Spur	High	Potential for spills of hazardous materials from railcars
Railway Yard	High	Storage of petroleum products, wood treatment chemicals
Ready-mix Concrete Plant	High	Storage of petroleum products
Rendering Plant	High	Storage of oils
Rifle Range	High	Metal and phosphorus contamination from bullets
Roofing Manufacturer	High	Handling and storage of tars and thinners
Rubber Products Manufacturer	High	Handle and store large volumes of hazardous chemicals
Scrap Yard	High	Fuel and oil spills, PCB's
Sign and Display Manufacturer	Medium	Paints, solvents and adhesives – depends on the size of the facility
Spring Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals
Steel Mill	High	Storage of large volumes of petroleum products, waste disposal
Swimming Facility / Waterworks	Medium	Liquid water treatment chemicals
Tannery	High	Handle and store large volumes of hazardous chemicals
Textile Manufacturer	High	Handle and store large volumes of hazardous chemicals
Tire Manufacturer	High	Handle and store large volumes of hazardous chemicals
Tool Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals
Train Terminal	High	Fuel storage / deposition
Trucking Firm	High	Storage of volumes of petroleum products
Utility Yard	High	Fuel storage, may handle PCB
Warehouse	Medium	Possible fuel storage, spills
Wire Manufacturer	High	Handling and storage of oils, paints, solvents and surface treatment chemicals
Wood Preserving Facility	High	Large volumes of hazardous chemicals used.
Sites Where Fill Has Been Deposited	Medium	Uncertainty with respect to fill material

**Medium Risk - Site contamination may or may not be present depending on site specific operations.

**High Risk - Site contamination is likely

APPENDIX 2

RESPONSIBILITY ACKNOWLEDGEMENT

I hereby acknowledge that the lands municipally known as _____ may be potentially contaminated from current or former land use activities.

I hereby acknowledge that it is my responsibility to ensure that I am in compliance with all applicable laws, regulations and guidelines pertaining to contaminated sites, including, but not limited to the Ministry of Environment 'Guideline For Use at Contaminated Sites', as amended.

Schedule 13

Action / Initiative: Community Improvement Plans / Zoning

Theme: Coordinated Municipal Process/Predictable Outcomes

Purpose:

- To make brownfield redevelopment an integral part and priority for community improvement efforts
- To establish appropriate zoning for brownfield sites to promote redevelopment / reuse by minimizing the need for site specific planning approval processes.

Rationale:

- Brownfield sites often represent infill opportunities in established areas and the range of appropriate after-uses should be identified as part of a comprehensive community plan as opposed to on a case by case basis to ensure appropriate integral into the neighborhood;
- Site specific planning approvals can add to the cost and time period required for redevelopment. By pre-zoning known sites for an acceptable range of uses, private market opportunities can be created.

Departments:

- Planning

Priority:

On-going as part of the preparation of community improvement plans for established areas.

Cost:

- Staff time and consulting costs to develop land use alternatives and community consultation

Schedule 14

Action / Initiative: Set Strategy Benchmarks & Performance Measures

Theme: Strategy Targets/Monitoring

Purpose:

- To measure the effectiveness of the coordinated brownfields strategy

Rationale:

- The financial incentive component of the brownfields strategy is proposed as a 5 year pilot program
- All municipal initiatives in support of a brownfield's redevelopment strategy should include a monitoring component to evaluate the achievement of objectives and to determine if the pilot project should be extended or not.

Departments:

- Planning

Priority:

- Year 1

Cost:

- Staff time

APPENDIX 1

Change in Tax Revenues Due to Brownfield Redevelopment/Re-Use of Selected Industrial Sites in Guelph

BEFORE	YEAR	PROPERTY ASSESMENT	TAX BILL	AFTER	YEAR	PROPERTY ASSESMENT	TAX BILL
Guelph Textile Mills (83 Neeve St.)	1993	\$ 272,426	\$ 4,111	Wellington Condominium (converted factory), Victor Davis Memorial Apartments, Guelph Non-Profit Housing, Hi- Rise Apartments	2001	\$ 10,185,000	\$ 331,807
Factory by the river (67 Wyndham St. S)	1997	\$ 45,312	\$ 587	Condominiums	2001	\$ 763,000	\$ 10,895
Industrial Use (490 York Rd.)	1991	\$ 481,140	\$ 6,868	Business Incubator	2001	\$ 1,371,580	\$ 53,458
Pirelli Cable (265 Suffolk St.)	2000	\$ 1,002,238	\$ 47,152	Rezoned for Townhouses and Semis	2002	\$ 16,215,000	\$ 231,544
TOTAL		\$ 1,801,116	\$ 58,718	TOTAL		\$ 28,534,580	\$ 627,704

APPENDIX 2

Example: Redevelopment Costs for a Moderately Contaminated Brownfield Site

	PHASE 1: LAND PREPARATI ON	PHASE 2: LANE TOWNHOUSES	PHASE 3: SEMIS	TOTAL	SOURCE OR METHODOLOGY
Number of Units		105	20		
Soft Costs					
Engineering and Design Fees		\$ 419,097	\$ 112,850	\$ 531,947	Estimate 5% of construction costs
Specialized Consultants					
Railway Noise and Vibration Impact A	\$ 5,000			\$ 5,000	Estimate Developer
Vegetation Conservation Plan	\$ 2,000			\$ 2,000	Estimate Developer
Site Restoration Study	\$ 15,000			\$ 15,000	Estimate Developer
Planning Applications					
Zone Change	\$ 2,500			\$ 2,500	Estimate Standard Planning Dept. fee
Subdivision			\$ 3,500	\$ 3,500	Estimate Standard Planning Dept. fee
Site Plan Approval		\$ 838	\$ 226	\$ 1,064	Estimate Standard Planning Dept. fee
Condominium Application		\$ 2,500		\$ 2,500	Estimate Standard Planning Dept. fee
Demolition Permit Fee	\$ 508			\$ 508	Actual Demolition Permit (1995)

	PHASE 1: LAND PREPARATI ON	PHASE 2: LANE TOWNHOUSES	PHASE 3: SEMIS	TOTAL	SOURCE OR METHODOLOGY
Marketing and Sales		\$ 131,250	\$ 30,900	\$ 162,150 Estimate	Estimated at 1% of total sales
Processing Fee (Legal Agreement, Schedule H)		\$ 3,500		\$ 3,500 Actual	From development agreement
Hard Costs					
Land Costs	\$ 71,165	\$ 837,96	\$ 93,107	\$ 1,002,238 Estimate	City of Guelph Economic Development Brochure "Real Estate Availability": approx. \$120,000/acre for partly serviced land in similar neighbourhood
Site Remediation	\$ 560,000			\$ 560,000 Estimate	Developer
Topsoil for Landscaping		\$ 105,000	\$ 20,000	\$ 125,000 Estimate	Developer: approx. \$100/unit to transport available topsoil from other development sites
Grading	\$ 11,638			\$ 11,638 Estimate	Approx. \$1500 per acre
Surveying		\$ 15,750	\$ 3,000	\$ 18,750 Estimate	Approx. \$150/unit
Development Charges (Hard Services)		\$ 332,955	\$ 74,520	\$ 407,475 Actual	Fee chart: component of DC's for Existing Built-up Area
Development Charges (Soft Services)		\$ 415,380	\$ 77,180	\$ 492,560 Actual	Fee chart: component of DC's for Existing Built-up Area
Education Development Charge		\$ 121,590	\$ 23,160	\$ 144,750 Actual	Fee chart
Off-site Structure					
Stage 1 Servicing		\$ 167,200		\$ 167,200 Actual	Development agreement
Stage 2 Servicing		\$ 99,000		\$ 99,000 Actual	Development agreement
Landscaping (Preliminary)		\$ 42,000	\$ 10,000	\$ 52,000 Estimate	Estimated at \$400/unit for townhouses, \$500/unit for semis

	PHASE 1: LAND PREPARATI ON	PHASE 2: LANE TOWNHOUSES	PHASE 3: SEMIS	TOTAL	SOURCE OR METHODOLOGY
Tree-planting		\$ 1,469		\$ 1,469 Actual	Development agreement
Residential Construction					
Dwelling Unit Construction Costs		\$ 6,938,180	\$ 1,985,751	\$ 8,923,931 Estimate	Helyar Construction Cost Guide, Sept. 2000: Using the mid-range construction cost for Toronto area
Building Permit Fees		\$ 73,429	\$ 23,829	\$ 97,258 Estimate	Standard Municipal Fee: \$0.762/sq. ft. x 917 sq. ft. for townhouses, 1563 sq. ft. for semis
Site Servicing		\$ 1,443,750	\$ 271,250	\$ 1,715,000 Estimate	Helyar Construction Cost Guide, Sept. 2000: Using the mid-range construction cost for the Toronto area
Private Roads		\$ 882,000		\$ 882,000 Estimated	Helyar Construction Cost Guide, Sept. 2000
Taxes					
Property Taxes	\$ 26,210			\$ 26,210 Actual	2000 City of Guelph Tax Bill
Financing Costs	\$ 55,522	\$ 481,314	\$ 109,171	\$ 646,007 Estimate	Estimated using 8% interest
TOTAL COSTS	\$ 749,542	\$ 12,514,168	\$ 2,838,444	\$ 15,456,147	
TOTAL PER UNIT COSTS	5,996	\$ 119,183	\$ 141,922		
OVERALL UNIT COSTS		\$ 125,179	\$ 147,919		
Sales					
Average Unit Price		\$ 125,000	\$ 154,500	Estimated	From Sales Centre information: \$125,000 for 2 bedroom townhouse (no

	PHASE 1: LAND PREPARATI ON	PHASE 2: LANE TOWNHOUSES	PHASE 3: SEMIS	TOTAL	SOURCE OR METHODOLOGY
					garage), \$154,500 for semi-detached unit
TOTAL SALES		\$ 13,125,000	\$ 9,090,000	\$ 16,215,000	
Estimated Profit Margin					
Profit				\$ 758,853	Before Tax
Calculated Profit Margin				4.9%	Before Tax