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## 1.0 INTRODUCTION

### 1.1 What are Brownfields?

Like many municipalities in Ontario, the City of Guelph has a number of brownfield properties. “Brownfields” are abandoned, idled, or underused properties where expansion or redevelopment is complicated by real or perceived environmental contamination as a result of historical land use practices. Brownfields are often vacant and characterized by building deterioration and/or obsolescence, and/or inadequate infrastructure. Brownfields can include many uses such as old landfills and abandoned factories to dry cleaners and former gasoline stations. Most brownfields are located in urban areas and many are located in key areas such as in downtowns or along the waterfronts. It is conservatively estimated that there are at least 30,000 brownfield sites in Canada<sup>1</sup>. The terms “brownfield redevelopment” and “brownfield development” are used interchangeably in this document to mean the environmental remediation/risk management, rehabilitation and development of brownfields.

### 1.2 Why Promote Brownfield Redevelopment in Guelph?

#### 1.2.1 Community Impacts of Brownfields

Brownfields can have real and significant environmental, economic and social impacts on a community such as Guelph. The City of Guelph has compiled a historical land use database of 400 properties that will be characterized based on their risk of environmental contamination<sup>2</sup>. While many of these potential brownfield properties are located in the older built-up part of Guelph, many are also spread across the municipality.

From the environmental perspective, contamination of soil and groundwater may be a concern for human health and safety, as well as environmental quality. This is of particular relevance in a municipality like Guelph that relies on groundwater for its potable water supply.

Underused brownfield sites in the serviced urban area represent a lost opportunity to limit greenfield development at the urban fringe which is likely to have significant economic and environmental costs and reduce the availability and viability of agricultural lands.

From an economic perspective, the existence of brownfields in Guelph can reduce the availability of land for local economic development, thereby limiting employment opportunities. Brownfield sites can also lower surrounding property values, create land use conflicts, and contribute to neighbourhood deterioration.

From a social perspective, brownfield sites can attract vandals, open dumping and other illegal activity that can lead to blight, contributing to neighbourhood and employment area deterioration and negatively impacting the quality of life in a community.

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<sup>1</sup> National Roundtable on the Environment and the Economy, 2003.

<sup>2</sup> Source: City of Guelph AMANDA System.

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### 1.2.2 Community Benefits of Brownfield Redevelopment

Communities across Canada, including the City of Guelph, have come to realize that brownfield development can transform environmentally impaired properties into productive economic uses, and can result in the following environmental, economic and social community benefits:

- Improvements in environmental quality (soil, air and ground water);
- Improvements to human health ;
- Protection of groundwater resources, wetlands and wildlife habitats;
- Utilization of existing sewer, water and road infrastructure, resulting in reduced pressure for greenfield development and its associated costs;
- Economic growth, including the retention and creation of local jobs;
- Increased property tax revenues;
- Revitalization of neighbourhoods and employment areas; and,
- Increased affordable housing opportunities.

The remainder of this section discusses the benefits of brownfield redevelopment in greater detail.

#### 1.2.2.1 Economic Benefits

A study of brownfield development in Canada found that every \$1 spent in the Canadian economy on brownfield development generates approximately \$3.80 in total economic output in all industries in the Canadian economy<sup>3</sup>. Numerous other U.S. and Canadian studies have found that brownfield development can increase neighbourhood property values<sup>4</sup>. Experience in municipalities with brownfield redevelopment programs in place for some time suggests that brownfield development projects can result in a significant increase in property tax revenues to local and provincial governments.

#### 1.2.2.2 Environmental Benefits

The environmental restoration and development of brownfield sites will serve to improve the environmental quality of soil and groundwater in Guelph. The positive impact of brownfield development on the environment is not limited to individual sites. Environmental restoration of individual sites can have a cumulative positive impact on the environment, including the protection of groundwater resources, wetlands and wildlife habitat<sup>5</sup>.

A 2001 study of brownfield versus greenfield development examined 48 brownfield projects in six cities across the United States. This study found that every acre of brownfield land developed would have required 4.5 acres of greenfield land<sup>6</sup>. This clearly demonstrates that brownfield redevelopment has the potential to reduce greenfield development, thereby reducing the potential environmental impacts associated with greenfield development, such as air and water pollution and the loss of agricultural land. By using existing infrastructure, brownfield development can

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<sup>3</sup> Regional Analytics. 2002.

<sup>4</sup> See for example, Environment Canada. 1998.

<sup>5</sup> Regional Analytics. 2002.

<sup>6</sup> Deason et.al. 2001.

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also reduce the costs of greenfield development; including the costs of providing hard and soft services to newer areas. In the case of the City of Guelph, the redevelopment of brownfields will be critical in helping the City to achieve its growth management targets, specifically the policy of accommodating 40% of the City's annual residential development within the built up area by 2015, as outlined in the Local Growth Management Strategy.

Brownfield projects, be they employment, residential, or a mix of uses, can also reduce the distance between employment areas and residential areas and therefore transportation costs. For example, a 2003 study by Hara Associates found that every hectare of brownfield land redeveloped for residential purposes can save as much as \$66,000 a year in transportation costs relative to equivalent greenfield development<sup>7</sup>. Therefore, brownfield development can have the effect of reducing commuting needs, thereby reducing traffic congestion and air pollution.

### 1.2.2.3 Social Benefits

While the economic and environmental benefits of brownfield development are more obvious, brownfield development can also generate significant social benefits at the local level. Based on an analysis of a dozen brownfield projects across Canada, the NRTEE concluded that brownfield development can be an engine for urban renewal<sup>8</sup>. Case studies reviewed by the NRTEE showed that this renewal can take the form of:

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

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

## 1.3 Key Impediments to Brownfield Redevelopment

Historically, developers have avoided potential brownfield development opportunities due to a number of key impediments including:

- Lack of funds to conduct required environmental studies;
- The cost of cleaning up contaminated sites;
- Difficulty obtaining project financing from traditional sources of development capital;
- Significant demolition and infrastructure upgrading costs;
- Fear of regulatory (government) and civil liability due to environmental contamination;

<sup>7</sup> Hara Associates. 2003.

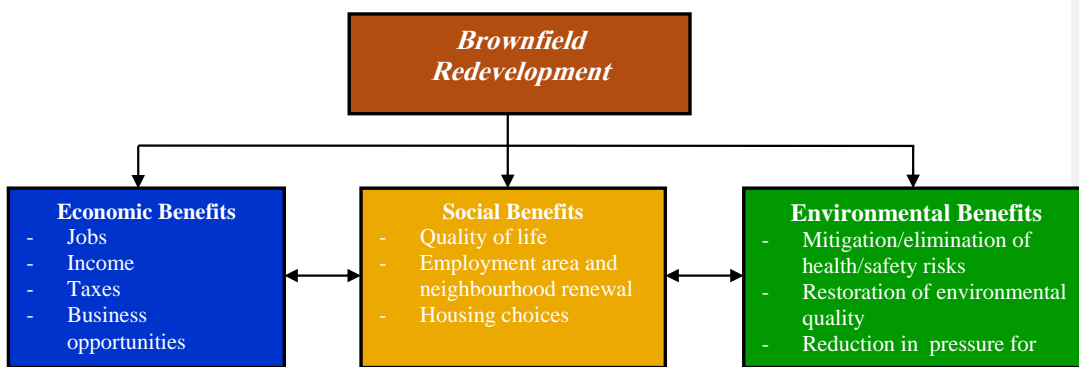
<sup>8</sup> National Roundtable on the Environment and the Economy, 2003.

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- Uncertain, lengthy and complicated environmental remediation and planning approval processes;
- Community and neighbourhood concerns and opposition; and,
- Poor returns on investment.

Numerous studies have shown that the costs to develop brownfields are greater than greenfields. However, positive experience and results in Canada and the U.S. have shown that the challenges to brownfield redevelopment can in fact be overcome to produce a profit for the developer and significant economic, environmental and social benefits for the community.

**Figure 1 Community Benefits of Brownfield Redevelopment**



Source: Regional Analytics, 2002, Figure 2, p. 7.

### 1.4 Purpose of the CIP

The City of Guelph Brownfield Redevelopment CIP was originally approved by the Ontario Ministry of Municipal Affairs and Housing in March of 2004. This CIP provided a framework for implementing the City's approved Brownfield Strategy, which was consistent with and built upon the City's Official Plan. The financial incentive programs contained in the original Brownfield Redevelopment CIP were drawn from the City's Brownfield Strategy which was adopted by Council in May of 2002. All of the incentive programs in the CIP were to be initiated on a five year pilot project basis and then reviewed. The Guelph Brownfield Redevelopment CIP was amended in July of 2008 to expand the eligibility of the Tax Increment-Based Grant (TIBG) Program from the Central Business District (CBD) to the Community Improvement Project Area.

City Council [recently](#) adopted Official Plan Amendment (OPA) No. 47 which updated the Community Improvement and Renewal policies in [Section 4.7 of](#) the City's Official Plan. OPA No. 47 specifies that the entire City of Guelph, or any part of the City, may be designated by by-law as a Community Improvement Project Area.

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The purpose of this Brownfield Redevelopment CIP is to update the Brownfield Redevelopment CIP including enhancements to the incentive programs designed to promote brownfield redevelopment in the City of Guelph. This Brownfield Redevelopment CIP, [approved in 2012 and amended in XXXX](#), replaces the original Brownfield Redevelopment CIP as approved in 2004, and as updated in 2008.

~~This~~ [The 2012](#) Brownfield Redevelopment CIP was developed based on a thorough review of:

- a) brownfield related legislation and regulations;
- b) applicable Provincial, and City policies relating to brownfield redevelopment;
- c) best practices used in other municipalities to promote brownfield redevelopment;
- d) input received from the Internal Project Steering Committee (IPSC) which is made up of senior City staff in several departments;
- e) input received from Council; and,
- f) a comprehensive program of stakeholder and public consultation that included stakeholder interviews, a stakeholder workshop, and two public meetings.

### 1.5 Goals of the CIP

The main goal of this Brownfield Redevelopment CIP is to promote the remediation, rehabilitation, adaptive re-use and redevelopment of brownfield sites throughout the City of Guelph in a fiscally responsible manner over the long term.

Other goals of this CIP for the City of Guelph include:

- a) Improve the physical and visual quality of brownfield sites;
- b) Improve environmental health and public safety;
- c) Provide opportunities for new housing, commercial uses, and employment uses;
- d) Increase assessment values and property tax revenues;
- e) Make more efficient use of existing infrastructure and services;
- f) Promote the achievement of targets for intensification within the built-up urban area; and,
- g) Promote brownfield redevelopment that is energy efficient and green.

This CIP establishes a framework of incentive programs that is designed to utilize public sector investment to leverage significant private sector investment in brownfield remediation, rehabilitation, adaptive re-use, and redevelopment.

### 1.6 Plan Content

Section 2.0 of this CIP outlines the legislative framework for preparation of this CIP.

Section 3.0 presents the provincial and city policy framework that guided preparation of the CIP.

Section 4.0 discusses the stakeholder and public consultation used to help prepare this CIP.

Section 5.0 presents the community improvement project area.

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Section 6.0 outlines the recommended incentive programs designed to stimulate private sector redevelopment of brownfield sites.

Section 7.0 contains a program to monitor the results of the incentive programs.

Section 8.0 contains a marketing strategy that should be used to guide efforts to market the incentive programs contained in the CIP.

Section 9.0 contains a short conclusion to the CIP.

Section 10.0 provides a list of references cited in the CIP.



## 2.0 LEGISLATIVE FRAMEWORK

### 2.1 Municipal Act, 2001

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

- Giving or lending any property of the municipality, including money;
- Guaranteeing borrowing;
- Leasing or selling any municipal property at below fair market value; and
- Giving a total or partial exemption from any levy, charge or fee.

This prohibition is generally known as the “bonusing rule”. Section 106 (3) of the *Municipal Act, 2001* provides an exception to this bonusing rule for municipalities exercising powers under subsection 28 (6), (7) or (7.2) of the *Planning Act* or under section 365.1 of the *Municipal Act, 2001*. It is the exception under Section 28 of the *Planning Act* that allows municipalities with enabling provisions in their official plans to prepare and adopt community improvement plans (CIPs).

Section 365.1 of the *Municipal Act, 2001* allows municipalities with enabling provisions in an approved CIP to pass a by-law providing tax assistance to an eligible property in the form of a deferral or cancellation of part or all of the taxes levied on that property for municipal and education purposes during the rehabilitation period and the development period of the property, both as defined in Section 365.1 (1) of the *Municipal Act, 2001*. Costs eligible for tax assistance include only the costs of any action taken to reduce the concentration of contaminants on, in or under an eligible property to permit a Record of Site Condition (RSC) to be filed. An eligible property is one where a Phase II environmental site assessment (ESA) shows that the property does not meet the standards that must be met under the *Environmental Protection Act* (EPA) to permit a RSC to be filed.

Section 365.1 of the *Municipal Act, 2001* operates within the framework of Section 28 of the *Planning Act*. A municipality with an approved CIP that contains provisions specifying tax assistance for environmental remediation costs will be permitted to provide said tax assistance for municipal property taxes. Municipalities may also apply to the Province to provide education property tax assistance through the Province’s Brownfields Financial Tax Incentive Program (BFTIP). While the Province may match the municipal property tax assistance with education property tax assistance, the Province must approve the municipal by-law, prior to passing of the by-law. Also, education property tax assistance may be delivered on a different timetable from municipal property tax assistance.

### 2.2 Planning Act

Section 28 of the *Planning Act* allows municipalities with provisions in their official plans relating to community improvement to designate by by-law a “community improvement project area” and prepare and adopt a community improvement plan for the community improvement project area. Once the community improvement plan has been adopted by the municipality and

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comes into effect, the municipality may exercise authority under Section 28(6), (7) or (7.2) of the *Planning Act* or Section 365.1 of the *Municipal Act, 2001* to enable the exception provided for in Section 106 (3) of the *Municipal Act, 2001*.

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

Section 28 (1) of the *Planning Act* defines “community improvement” as “the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable, or other uses, buildings, structures, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary”.

Once a CIP has come into effect, the municipality may:

- i) acquire, hold, clear, grade or otherwise prepare land for community improvement (Section 28 (3) of the *Planning Act*);
- ii) construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan (Section 28 (6));
- iii) sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan (Section 28 (6)); and,
- iv) make grants or loans, in conformity with the community improvement plan, to registered owners, assessed owners and tenants of land and buildings within the community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the eligible costs of the community improvement plan (Section 28 (7)).

Section 28 (7.1) of the *Planning Act* specifies that the eligible costs of a community improvement plan for the purposes of Subsection 28 (7) may include costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities.

Section 28 (7.3) of the *Planning Act* specifies that the total of all grants and loans made in respect of particular lands and buildings under Section 28 (7) and (7.2) of the *Planning Act* and tax assistance provided under Section 365.1 of the *Municipal Act, 2001* in respect of the land and buildings shall not exceed the eligible cost of the community improvement plan with respect to those lands and buildings

Other sections of the *Planning Act* also provide opportunities to promote brownfield redevelopment through a range of planning and financial incentives. These are briefly described below.

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Section 37 of the Planning Act allows the council of a local municipality to authorize by way of a zoning by-law, increases in the height and density of development that will be permitted in return for the provision of such facilities, services or matters as are set out in the zoning by-law. These matters could conceivably include brownfield redevelopment. However, Section 37 is usually used to obtain public amenities such as park space in return for increased densities. This section of the *Planning Act* has not been extensively used to provide density or height increases in return for brownfield redevelopment.

Section 69 of the Planning Act allows municipalities to reduce or waive the amount of a fee in respect of a planning application where it feels payment is unreasonable. Municipalities can use this tool to waive all planning application fees to promote community improvement without inclusion in a CIP. Alternatively, a municipality can collect fees and then provide a partial or total rebate of fees in the form of a grant, but this must be done within a CIP. The waiving of planning applications fees, either by way of a fee reduction/waiver outside of a CIP or a fee equivalent grant within a CIP, has been used by a number of Ontario municipalities to promote brownfield redevelopment.

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## 3.0 POLICY FRAMEWORK

### 3.1 Provincial Policy Statement (PPS ~~2005~~2014)

The Provincial Policy Statement (PPS) is issued under Section 3 of the *Planning Act* and is intended to guide municipalities as they make planning decisions. The *Planning Act* requires that municipal decisions in respect of the exercise of any authority that affects a planning matter “shall be consistent with” the PPS. Municipal official plans are required to be consistent with all applicable Provincial policies by adopting appropriate land use designations and policies. As well, community improvement plans should be consistent with the PPS.

The Province of Ontario adopted a new Provincial Policy Statement in 2005 (PPS 2005). PPS 2005 is premised on sustainability principles and the stated vision of PPS 2005 is the wise management of growth. PPS 2005 is organized into three principal policy sections including Building Strong Communities, Wise Use and Management of Resources, and Protecting Public Health and Safety. Within these sections, the Province outlines the guiding policy framework for land use decisions made by upper and lower tier municipalities.

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

The PPS also supports Smart Growth through urban growth management. For example, section 1.1.3.3 of the PPS states “planning authorities shall identify and promote opportunities for intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs”. Therefore, the PPS supports brownfield redevelopment as a way to achieve the goal of promoting intensification and redevelopment. Other policies in the PPS (sections 1.1.1 a), 1.1.1 g) and 1.6.2) support the management of growth to achieve efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term. The redevelopment of brownfields has a role to play in this regard.

Finally, section 3.2.2 of the PPS states that “Contaminated sites shall be remediated as necessary prior to any activity on the site associated with the proposed use such that there will be no adverse effects (as defined in the EPA).” Therefore, there is support in provincial policy for municipal planning policies that ensure contaminated sites are properly remediated prior to being developed. This policy directs municipalities to make planning decisions that ensure identified contaminated sites are assessed and remediated to an appropriate level prior to use or reuse.

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

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The PPS provides for appropriate development while protecting resources of provincial interest, public health and safety, and the quality of the natural and built environment. The Provincial Policy Statement supports improved land use planning and management, which contributes to a more effective and efficient land use planning system.

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

The PPS also supports growth management approaches that include intensification. For example, section 1.1.3.3 of the PPS states “planning authorities shall identify appropriate locations and promote opportunities for intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs”. Therefore, the PPS supports brownfield redevelopment as a way to achieve the goal of promoting intensification and redevelopment. Other policies in the PPS (sections 1.1.1 a), 1.1.1 g) and 1.6.3) support the management of growth to achieve efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term. The redevelopment of brownfields has a role to play in this regard.

Finally, section 3.2.2 of the PPS states that “ Sites with contaminants in land or water shall be assessed and remediated as necessary prior to any activity on the site associated with the proposed use such that there will be no adverse effects (as defined in the EPA).” This policy directs municipalities to make planning decisions that ensure identified contaminated sites are assessed and remediated to an appropriate level prior to use or reuse.

### **3.2 Places to Grow Growth Plan**

Places to Grow, the Growth Plan for the Greater Golden Horseshoe (GGH), is a Provincial initiative to manage growth across the GGH, including the City of Guelph, to ensure that planning decisions are coordinated with strategic investments in community infrastructure. This plan provides a framework to build stronger and more prosperous communities through the better management of growth to 2031. The Growth Plan provides policy directions that:

- Direct growth to built up areas where the capacity exists to best accommodate the expected population, household and employment growth while providing strict criteria for settlement area boundary expansion;
- By the year 2015 and every year thereafter, require at least 40% of all residential development occurring annually within a municipality to be in the built up area;
- Require municipalities to establish intensification targets;
- Promote transit-supportive densities and healthy mix of residential and employment uses;

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- ~~Preserve employment lands for future economic opportunities;~~
- ~~Identify and support a transportation network that links urban growth centers through an extensive multi-modal system anchored by efficient public transit and highway systems for moving people and goods;~~
- ~~Plan for community infrastructure to support growth;~~
- ~~Ensure suitable water and wastewater services are available to support future growth;~~  
~~and;~~
- ~~Identify a natural system and prime agricultural areas, and enhance the conservation of these valuable resources.~~

Furthermore, Downtown Guelph is identified in the Growth Plan as an urban growth centre. The redevelopment of brownfield sites in Downtown Guelph will be pivotal for the City of Guelph to achieve the minimum gross density target identified in the Growth Plan of 150 residents and jobs combined per hectare by 2031. In June 2009, Guelph City Council adopted Official Plan Amendment No. 39 to bring the Official Plan into conformity with the planning framework of the Growth Plan for the Greater Golden Horseshoe (Growth Plan)

The Growth Plan for the Greater Golden Horseshoe is a long-term plan that works to manage growth, build complete communities, curb sprawl and protect the natural environment. This plans applies to Guelph and is enabled by the Places to Grow Act. All planning decisions must conform or not conflict with the Growth Plan.

The Growth Plan works to:

- Support the achievement of complete communities that offer more options for living, working, learning, shopping and playing.
- Reduce traffic gridlock by improving access to a greater range of transportation options.
- Provide housing options to meet the needs of people at any age.
- Revitalize downtowns to become more vibrant and to provide convenient access to an appropriate mix of jobs, local services, public service facilities and a full range of housing.
- Curb sprawl and protect farmland and green spaces.
- Promote long-term economic growth.

The Growth Plan provides population and employment targets for the City to the year 2041. It provides a focus on growing through intensification noting that better use of land and infrastructure can be made by directing growth to settlement areas and prioritizing intensification, with a focus on strategic growth areas, such as downtown, as well as brownfield sites.

### 3.3 — Brownfields Strategy

The City of Guelph's Brownfields Strategy was adopted by Council in May of 2002 and outlines a framework of strategic actions intended to facilitate and promote the redevelopment and re-use of brownfield sites. The City's Brownfield Redevelopment CIP, approved in 2004, and updated in 2008, implements and details the financial recommendations of the Brownfields Strategy. However, there are a number of other strategic action items identified in the Brownfields Strategy, including:

- i) — Creating a Brownfield Database;
- ii) — Marketing and Promotion;
- iii) — Municipal Leadership;
- iv) — Standard Processes with Predictable Outcomes; and,
- v) — Monitoring and Evaluation.

The CIP is part of the larger Brownfields Strategy framework and several of the recommended actions in the Brownfields Strategy impact on the success of the Brownfield Redevelopment CIP, including the management of the historical land use database, marketing and promotion, processing of applications, and monitoring and evaluation. Therefore, the City should continue to demonstrate municipal leadership in these areas.

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### 3.4—Local Growth Management Strategy

The Local Growth Management Strategy (LGMS) (2008) was initiated by the City in response to the Province's 2006 Growth Plan for the Greater Golden Horseshoe. The recommendations of the LGMS form the basis of the City's Growth Plan conformity Official Plan Amendment No. 39. The LGMS involved an extensive public engagement process from 2006-2007 with Council adopting the following key recommendations in June 2008 (below paraphrases the actual recommendations):

- Accommodating an additional 54,000 people and an additional 31,000 jobs by 2031 within the current City limits;
- Growing at a steady rate of 1.5% per year;
- Identifying residential intensification opportunities within the Downtown, Nodes, and Corridors;
- Planning for higher density mixed use development within the greenfield area that supports the Community Energy Plan; and
- Implement an Affordable Housing Strategy.

A Residential Intensification Analysis Report was prepared in 2007 and a report on the implications of the City of Guelph's Local Growth Management Strategy was prepared in 2009 (Report # 08-122). The LGMS report points to brownfields as being a contributing factor in achieving the targets in the Growth Plan and the objectives of the LGMS. The LGMS sets the framework for intensification within the built-up area of the City, and therefore the economic viability of redeveloping brownfield sites.

### 3.53 Official Plan

The City of Guelph Official Plan contains Community Improvement policies. These policies were amended by Official Plan Amendment (OPA) No. 47 which came into effect on October 26, 2011. These ~~new~~ Community Improvement policies are very comprehensive, include updated terminology and references, and support a broader range of community improvement objectives and activities. The ~~new~~ Community Improvement policies in the City's Official Plan are contained in **Appendix A**.

The Community Improvement Policies in the Official Plan outline the community improvement objectives of the City. These include several objectives that apply to the Brownfield Redevelopment CIP including:

- a) Encouraging the renewal, rehabilitation, redevelopment or other improvement of private lands and/or buildings;
- b) Encouraging maximum use of existing municipal services through infilling, intensification and redevelopment of lands/buildings which are already serviced;
- c) Improving environmental conditions;
- d) Improving social conditions; and
- e) Encouraging and supporting environmentally sustainable development.

The Community Improvement Policies specify that part or the entire City of Guelph can be



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designated as a community improvement project area. The policies also detail the criteria that Council will consider in designating community improvement project areas. The Brownfield Redevelopment CIP meets several of these criteria, including “known or suspected environmental contamination”.

The Community Improvement Policies note that the priority for designation of community improvement project areas and preparation and adoption of CIPs shall be given to areas where one or more of the criteria for designation exists across the entire municipality or a large part of the municipality. This is the case with the Brownfield Redevelopment CIP because potentially contaminated sites exist across the city.

The Community Improvement Policies outline measures that the City may undertake to implement a CIP and note that the City may make full use of the municipal authority granted under the *Planning Act* and other Provincial and Federal legislation. This policy also specifies that the City can provide grants and loans to owners and tenants of land and their assignees. In summary, the Brownfield Redevelopment CIP as contained herein is in full conformity with and supports the Community Improvement Policies in the City of Guelph Official Plan.

### **3.6—Community Energy Plan**

~~The Community Energy Plan (CEP) is a 25-year plan that was adopted by Council in April of 2007. This Plan sets targets, which would see the City using less energy in 25 years than it does today, even with expected residential and employment growth. It also plans for an annual reduction in greenhouse emissions by nine tonnes per person. The CEP is significant because it impacts virtually all of the City’s activities and other plans, including the Brownfield Redevelopment CIP. The energy reduction targets and reduction in greenhouse emissions specified in the CEP support the Brownfield Redevelopment CIP.~~

### **3.7—Employment Lands Strategy**

~~The Phase 1 Report of the Employment Lands Strategy (ELS) prepared in July of 2008 identifies future employment land needs based on existing vacant and developable employment land supply and forecast demand. Phase 1 concludes that the City will have a total long-term (to 2031) employment land supply of approximately 648 hectares, however, the availability of market ready serviced industrial land (i.e. for sale/lease) within the City of Guelph is very limited, especially for larger sites. The study did not consider redevelopment or intensification of currently occupied industrial lands.~~

~~Part 1 of the ELS Phase 2 Report prepared in June of 2009 provides a detailed strategy that will outline a policy framework and implementation program to provide for an adequate supply of employment lands for Guelph to 2031. Part 1 of Phase 2 recommends that employment lands that are fragmented or isolated from other employment areas should be considered for conversion to non-employment uses, in accordance with the conversion criteria set out in the Growth Plan.~~

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### 3.8—Urban Design Action Plan

The purpose of the Urban Design Action Plan (UDAP) prepared in 2009 is to highlight the importance of urban design in all matters related to planning and development in the City and to set a course of action aimed at achieving good urban design on a broad and consistent basis. The Plan also establishes general urban design objectives for strategic areas of the city expected to undergo the most change in the coming decades. The Plan recommends working with landowners and/or developers to prepare master plans for key brownfield and other large redevelopment sites at the edge of Downtown.

### 3.9—Secondary Plans

The City is currently undertaking the Guelph Innovation District Secondary Plan (formerly referred to as ‘York District’) that includes the former provincial jail lands on the east side of the City. The Guelph Innovation District is partially greenfield and contains some existing industrial and municipal operations including an abattoir, meat packing and processing plant, a solid waste facility and the former Guelph Correction Centre that may be brownfield sites.

The Downtown Secondary Plan (DSP) was approved by council in April 2012, but is under appeal at the time of preparing this CIP. The DSP plans for 150 jobs/persons per hectare by 2031. There are a number of potential brownfield sites within the DSP Area where redevelopment opportunities have been identified.

### 3.10—Downtown Guelph CIP

The City adopted its Downtown Guelph CIP on April 6, 2010 and amended it on December 5, 2011. Implementation Guidelines for the CIP were approved on April 23, 2012. The CIP contains the following incentive programs:

**Feasibility Study Grant Program**—matching 50% grant to a maximum grant of \$5,000 for a range of feasibility studies;

**Facade Improvement Grant Program**—matching 50% grant for building facade improvements to a maximum grant of \$10,000 per property and a maximum grant of \$30,000 for properties with multiple addresses, facades, owners and/or tenants;

**Minor Activation Grant Program**—30% grant to a maximum of \$120,000 for selected capital costs of developing small amounts of commercial space or residential units; and

**Major Activation Grant**—a Tax Increment Based Grant for large projects that can reimburse costs incurred in downtown development that are not routinely encountered in Greenfield development, using up to 100% of the 10 year tax increment.

The Major Activation Grant is similar to the Tax Increment Based Grant Program for Brownfields contained in Section 6.5 of this CIP. In order to ensure adherence to Section 28 (7.3) of the *Planning Act* which specifies the maximum total of grants and loans that can be made, Section 6.2 of this Brownfield Redevelopment CIP (General Program Requirements) contains wording to ensure that the total of all grants, loans, and tax assistance provided in respect of a particular property shall not exceed the eligible costs of the improvements to that property under all applicable CIPs. The proposed Downtown CIP contains similar wording to

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~~ensure when there is a duplication of proposed eligible works, costs will not be funded twice. Furthermore, both the Brownfield CIP's TIBG and the Downtown Guelph CIP's Major Activation Grant rely on the same 10-year tax increment to fund grants. The Grants will be coordinated such that the same portion of the tax increment is not used to fund costs under both programs.~~

~~In addition to the above noted Downtown Guelph CIP incentive programs, the City of Guelph has also established a Heritage Redevelopment Reserve Fund that provides funding for the preservation and restoration of designated cultural heritage features in the downtown.~~

### 4.0 CONSULTATION

#### 4.1 Consultation on Development of the 2012 CIP

##### **4.1.1 Internal Steering Committee**

An Internal Steering Committee (ISC) comprised of senior City of Guelph staff was formed to help guide preparation of the CIP. Several meetings of the ISC were held during preparation of the CIP. In addition to meetings and liaison with the project manager and other City staff, the meetings with the ISC allowed the consultant to:

- provide the ISC with progress updates;
- coordinate stakeholder interviews, workshop and the public open house; and
- obtain comments and input from the ISC on Progress Reports 1 and 2 and the CIP prior to finalization of these reports.

Members of the ISC and the project manager were extensively consulted with respect to the programs contained in this CIP and they provided input, guidance and direction with respect to the finalization of these programs.

##### **4.1.2 Stakeholder Interviews**

Interviews were conducted in March of 2010 with key stakeholders in the brownfield redevelopment industry (property owners, developers, financiers, and support professionals). Interview invitations were sent to eight key brownfield redevelopment industry stakeholders. Five of the eight key stakeholders (including three brownfield developers ranging from a developer of smaller projects to a developer of large projects) agreed to be interviewed. These key stakeholders were asked to complete a questionnaire that inquired about key impediments to brownfield redevelopment and opportunities for improvement to the Brownfield Redevelopment CIP. The findings of the questionnaires informed more in-depth one-on-one interviews.

Interviews were also conducted with City staff involved in the environmental plan review process and the administration and marketing of the Brownfield Redevelopment CIP. These interviews were conducted in a more open format, concentrating on the individual areas of responsibility and expertise of the various staff members interviewed.

The results of the stakeholder interviews helped to identify a number of critical needs for improvement to the incentive programs contained in the Brownfield Redevelopment CIP. These critical needs were utilized to develop and refine the incentive programs contained in this CIP.

##### **4.1.3 Stakeholder Workshop**

A stakeholder workshop was held on April 27, 2011. The purpose of this workshop was to present the proposed revisions to the financial incentive programs in the Guelph Brownfield Redevelopment CIP to key brownfield redevelopment industry stakeholders and obtain input from these stakeholders. A total of 40 people were invited to the workshop, including 28 members of the brownfield redevelopment industry and 12 City staff in various departments responsible for implementation of the Brownfield Redevelopment CIP. The 28 members of the

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brownfield redevelopment industry included the key stakeholders interviewed in the previous phase of the project, as well as a broad spectrum of key industry stakeholders from developers to environmental and planning consultants, legal and real estate sector representatives, the Ministry of Environment and the University of Guelph.

Twenty two (22) people were in attendance at the stakeholder consultation session, including three workshop group facilitators. The consultant gave a presentation summarizing the results of the CIP update process, including the proposed revisions to the financial incentive programs in the CIP. Those in attendance were then divided into three workshop groups. These groups were pre-assigned to help ensure that each group had a mix of representatives from various brownfield redevelopment industry sectors. A facilitator then led each group through a discussion of the following questions:

- i) Do the proposed program revisions or new programs address critical needs?
- ii) Are further program refinements or improvements required?
- iii) If the answer to question ii) above is “yes”, what types of refinements or improvements are required and what are the details?
- iv) Have any key program revision options or new program options been missed?

Each workshop group took notes and the responses were then reported back to those in attendance by a spokesperson for each group. The input received during the stakeholder workshop was used to refine the proposed incentive programs.

### **4.1.4 Public Open House**

A public open house was also held on April 27, 2011. This public open house was advertised in the Tribune and on the City’s web site. Eight (8) people attended the public open house. The consultant gave a presentation summarizing the results of the CIP update process, including the proposed revisions to the financial incentive programs in the CIP. Those in attendance at the public meeting were then asked the same four questions as those in attendance at the stakeholder workshop, and their responses were discussed in a roundtable group setting.

### **4.1.5 Comment Sheets**

Comment sheets were provided at the stakeholder workshop and the public open house and attendees were encouraged to submit their written comments to the City. The comment sheets allowed respondents to rate the importance of proposed incentive program revisions, provide written comments on proposed program revisions and suggest other programs revisions or new programs. Eight (8) completed comments sheets were received by the City and analyzed by the consultant.

## **4.2 Consultation on the 2018 CIP Update**

Because of the minor and technical nature of anticipated changes to the CIP, the community engagement approach was scoped to interviews with key stakeholders who have had direct experience with the programs. They are in a good position to evaluate the programs’ strengths and weaknesses. Staff solicited 11 stakeholders for interviews including developers,

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environmental consultants and Ministry of the Environment and Climate Change (MOECC) staff. Six interviews were conducted and two emails were received.

The project team also interviewed other staff involved in the administration of the CIP programs from the following departments:

- Engineering and Capital Infrastructure Services
- Finance, Client Services
- Finance, Taxation and Revenue
- Business Development and Enterprise
- Legal, Realty and Risk Services

### 5.0 COMMUNITY IMPROVEMENT PROJECT AREA

The Community Improvement and Renewal policies in the City's Official Plan specify that the entire City of Guelph, or any part of the City, may be designated by by-law as a Community Improvement Project Area. ~~Based on information compiled in a historical land use database of 400 properties, potential brownfield sites in Guelph are located both in the older built up part of city, as well as being spread across the City. The prevailing trend in municipalities now preparing comprehensive Brownfield CIPs is to designate the entire municipality, or at least the entire urban area, as the Community Improvement Project Area to which their Brownfield CIP will apply. Based on the location of potential brownfield sites in the City of Guelph, such an approach to designation of the community improvement project area for the Brownfield Redevelopment CIP is appropriate. Therefore, t~~The Community Improvement Project Area for this Brownfield CIP is designated as all land within the municipal boundaries of the City of Guelph.

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### 6.0 INCENTIVE PROGRAMS

A summary of the incentive programs contained in this CIP is shown in **Figure 2**. These incentive programs represent a framework designed to stimulate private sector brownfield remediation and redevelopment by addressing the critical needs for brownfield redevelopment in Guelph.

The incentive programs contained in this CIP can be used individually or together by an applicant, but in no case can two or more programs be used to pay for the same eligible cost, i.e., double dipping is not permitted. Also, the total of all grants, loans, and tax assistance provided in respect of the particular property for which an applicant is making application under the programs contained in this CIP and any other CIPs, shall not exceed the eligible costs of the improvements to that property under all applicable CIPs

General program requirements applicable to all of the incentive programs contained in this CIP are contained in Section 6.2 below. This is followed by a basic description of each incentive program including the purpose, type, eligibility requirements and recommended program duration. Administrative guidelines for each of the incentive programs are provided in Appendices B to D.

**Figure 2 Summary of Incentive Programs**

Program Name	Program Description	Recommended Program Duration <sup>9</sup>
<b>Environmental Study Grant (ESG) Program</b>	<ul style="list-style-type: none"> <li>- Grant equivalent to 50% of the cost of a Phase II environmental site assessment, designated substances and hazardous materials survey, remedial work plan or risk assessment.</li> <li>- Maximum grant of \$<del>1530</del>,000 per <del>property/project</del> <del>environmental study</del>.</li> <li>- <del>Maximum of 2 studies per property/project.</del></li> <li>- <del>Maximum total grant of \$30,000 per property/project.</del></li> </ul>	- <del>Approximately to the end of 2017 with option to extend up to approximately the end of 2023.</del> <u>5 Years from the date of approval of the 2018 CIP update</u>
<b>Tax Assistance (TA) Program</b>	<ul style="list-style-type: none"> <li>- Cancellation of part or all of the municipal property taxes and education property taxes for up to 3 years.</li> <li>- Cancellation of education property taxes is subject to approval by the Minister of Finance.</li> </ul>	- <u>5 Years from the date of approval of the 2018 CIP update.</u> <del>Approximately to the end of 2023.</del>
<b>Tax Increment Based Grant (TIBG) Program</b>	<ul style="list-style-type: none"> <li>- Grant equivalent to 80% of the municipal property tax increase created by the project for up to 10 years after project completion.</li> </ul>	- <u>5 Years from the date of approval of the 2018 CIP update.</u> <del>Approximately to the end of 2023.</del>

<sup>9</sup> Council may reduce or extend the duration of any or all of the programs beyond what is recommended without amendment to this Plan



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### 6.1 General Definitions

This section explains the meaning of terms used in Section 6.0 and throughout the CIP.

**Applicant:** unless otherwise specified, means a registered owner, assessed owner or tenant of lands and buildings within the Community Improvement Project Area, and any person to whom a registered owner, assessed owner or tenant of lands and buildings within the Community Improvement Project Area has assigned the right to receive a grant or loan.

**Assignee:** a person to whom an applicant has legally assigned the right to receive a grant or loan pursuant to this CIP.

**Base Rate:** total municipal taxes levied in the year prior to commencement of a project approved for a Tax Increment Based Grant.

**Building Rehabilitation:** interior and exterior works that are for the purpose of rehabilitating and/or retrofitting an existing building. This can include structural, electrical, mechanical, plumbing, and other improvements to existing buildings. This does not include construction of new buildings or building additions, landscaping, or the construction of improvements not made to existing buildings on the property.

**Community Improvement Project Area:** All land within the municipal boundaries of the City of Guelph.

**Eligible Property:** For the purposes of making application for any of the incentive programs in the CIP (except for the Environmental Study Grant Program), an eligible property is a property where a Phase II Environmental Site Assessment has been conducted, and that as of the date the Phase II Environmental Site Assessment was completed, did not meet the required Ministry of Environment standards under subparagraph 4i of Section 168.4(1) of the *Environmental Protection Act* to permit a Record of Site Condition (RSC) to be filed in the Environmental Site Registry for the proposed use of the property. In other words, the property is contaminated with respect to the Ministry of Environment standards as to the proposed use of the property.

**Eligible Study:** Environmental study that is a Phase II Environmental Site Assessment, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, Risk Assessment or Risk Management Plan.

**Eligible Works:** All environmental remediation, building demolition, building rehabilitation and retrofit, Leadership in Energy and Environmental Design (LEED) components, and other works that meet the eligibility requirements of one or more of the financial incentive programs contained in this CIP.

**Environmental Remediation:** Also referred to as “remediation” means any action taken to reduce the concentration of contaminants on, in or under the property ~~to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*.~~

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**Matching Education Property Tax Assistance:** Cancellation or deferral that applies to all or a portion of the taxes for school purposes levied on a property under a bylaw made under subsection 365.1(2) of the *Municipal Act, 2001* because the bylaw has been approved by the Minister of Finance under subsection 365.1(6) of that Act. Under the Brownfields Financial Tax Incentive Program, the timing of and conditions that apply to municipal property tax assistance may vary from those for matching education property tax assistance. The level of matching education property tax assistance will be proportionate, as determined by the Minister of Finance, to the level of municipal tax assistance provided by a municipality. For example, if the municipality cancels 50% of municipal property taxes, then the Province, generally, would consider providing tax assistance in the form of a similar 50% cancellation in the education portion of the property tax.

**MPAC:** Municipal Property Assessment Corporation.

**Qualified Person:** As defined in Ontario Regulation 153/04. Generally, “qualified persons” are licensed under the *Professional Engineers Act*, or are members of the Professional Geoscientists of Ontario.

**Redevelopment:** includes building demolition, building rehabilitation, building improvement, and new building construction.

**Tax Increment:** The difference between the base rate on a property and municipal taxes levied on that property as a result of re-valuation by MPAC following completion of a project approved for a Tax Increment Based Grant.

### 6.2 General Program Requirements

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

- a) Application for any of the incentive programs contained in this CIP can be made only for properties within the Community Improvement Project Area.
  
- b) None of the incentive programs contained in this Plan will be offered on a retroactive basis. This means that the City can accept applications for the financial incentive programs contained in this CIP only after this CIP has been adopted by City Council and approved. This also means that ~~an a complete~~ application ~~for any financial incentive program contained in this CIP~~ must be submitted to, ~~and received by~~ -the City ~~and that application must be approved by the City~~ prior to the commencement of any eligible study ~~under the~~ (Environmental Study Grant Program). An application must be submitted and approved by the City prior to ~~or~~ any eligible works ~~under the~~ (Tax Assistance

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Program and/or Tax Increment Based Grant Program) that are the subject of the application<sup>10</sup>.

- b)c) If the applicant is not the owner of the property, the applicant must provide written consent from the owner of the property to make the application.
- e)d) With the exception of the Environmental Study Grant Program, owners or applicants who are responsible for ~~knowingly~~ polluting their properties will not generally be permitted to make direct application for any of the incentive programs contained in this CIP. However, the City reserves the right to make exceptions to this requirement on a case by case basis where redevelopment benefits to the municipality and community would be very significant.
- d)e) The City reserves the right to audit the cost of environmental studies, environmental remediation works, and/or building rehabilitation works that have been approved under any of the financial incentive programs, at the expense of the applicant.
- e)f) The City is not responsible for any costs incurred by an applicant in relation to any of the programs, including without limitation, costs incurred in anticipation of a grant and/or tax assistance.
- f)g) If the applicant is in default of any of the general or program specific requirements, or any other requirements of the City, the City may delay, reduce or cancel the approved grant and/or tax assistance.
- g)h) Eligible applicants can apply for one, more or all of the incentive programs contained in this CIP, but two or more programs cannot be used to pay for the same eligible cost.
- h)i) The total of all grants, loans, and tax assistance provided in respect of the particular property for which an applicant is making application under the programs contained in this CIP and any other CIPs, shall not exceed the eligible costs of the improvements to that property under all applicable CIPs.
- i)j) The City may discontinue any of the programs at any time, but applicants with approved grants and/or tax assistance will still receive said grant and/or tax assistance, subject to meeting the general and program specific requirements.
- j)k) All proposed works approved under the incentive programs and associated improvements to buildings and/or land shall conform to all provincial laws, municipal by-laws, policies,

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<sup>10</sup> With the exception of complete applications for Tax Increment Based Grants submitted to the City within 18 months of approval of this CIP in respect of the property at 35 and 40 Silvercreek Parkway South pursuant to Clauses 16-19 of Ontario Municipal Board Minutes of Settlement dated March 1, 2009, OMB File No. PL070533, or an amended settlement, provided that Clauses 16-19 remain in full force and effect on the date the City Council considers such an application; and in respect of the property at 84 and 86 Wyndham Street South and 68A, 68B and 72 York Road.

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procedures, standards and guidelines, including applicable Official Plan and zoning requirements and approvals.

- ~~k)l)~~ l)m) The improvements made to buildings and/or land shall be made pursuant to a Building Permit, and/or other required permits, and constructed in accordance with the Ontario Building Code.
- ~~l)m)~~ m)n) Except for the Environmental Study Grant Program, outstanding work orders, and/or orders or requests to comply, and/or other charges from the City (including tax arrears) must be addressed to the City's satisfaction prior to grant and/or tax assistance payment.
- ~~m)n)~~ n)o) City staff, officials, and/or agents of the City may inspect any property that is the subject of an application for any of the financial incentive programs offered by the City.
- ~~n)o)~~ o)p) Applicants approved for the programs contained in the CIP will be required to complete the approved studies and works within timeframes specified by the City.
- ~~o)p)~~ p)q) Availability of any or all of the incentive programs in this CIP in any given year is at the discretion of Council and subject to supporting budget allocation.
- ~~p)q)~~ q)r) Sales Taxes (e.g. HST) are not eligible to be reimbursed.

### 6.3 Environmental Study Grant (ESG) Program

#### 6.3.1 Purpose

The purpose of the Environmental Study Grant (ESG) Program is to promote the undertaking of environmental studies by redevelopment proponents in order to:

- i) Generate more and better information with respect to the type of contamination, environmental risks and potential remediation costs on brownfield properties; and,
- ii) Inform the City's drinking water source protection program.

#### 6.3.2 Description

While a Phase I provides important information regarding potential sources of contamination, the Phase I ESA does not provide detailed information with respect to the type and extent of contamination and cost of remediation. Therefore, Phase I ESA's are not eligible for funding under this program.

To be eligible to apply for the ESG Program, a current Phase I ESA must be submitted to the City and this Phase I ESA must show that the property is suspected of environmental contamination.

To help offset the costs of additional environmental studies, the ESG Program will provide a matching grant of 50% of the cost of ~~an~~-eligible environmental studiesy to a maximum grant of:

- a) ~~\$1530,000~~ per property/projectstudy; and
- b) two studies per property/project.

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~~;~~ and,

e) ~~— \$30,000 per property/project.~~

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

Where an application for the ESG Program involves more than one property, the City reserves the right to determine, on a case-by-case basis, whether that application should be treated as relating to a single property or to a project. If the City determines that an application should be treated as relating to a project, then the City may further determine which specific properties are included in the project and how any approved Environmental Study Grants are to be divided among the included properties.

Eligible environmental studies include a Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, Risk Assessment and Risk Management Plan. ESGs will only be offered on and approved for eligible properties where there is potential for rehabilitation and redevelopment of the property. Properties where a Minister's Order for cleanup has been issued are not eligible to apply for the ESG Program. Polluting applicants may apply for this program only if they can demonstrate that there exists:

- a) an offer of purchase and sale on the property;
- b) a redevelopment proposal for the property; and,
- c) insufficient environmental data to inform the preparation of a Remedial Work Plan, Risk Assessment, or Risk Management Plan.

Review and evaluation of an application and supporting materials against program eligibility requirements will be done by City staff and a decision on the grant application will be made by City staff within funding available from the Brownfield Strategy Reserve<sup>11</sup>. Applications will be processed on a first come, first serve basis, subject to availability of funding as approved by Council.

Grants approved under this program will be provided to applicants following submission to the City for review of the final completed study with a copy of the original invoice, indicating that the study consultants have been paid in full. The grant will be paid on the lesser of a cost estimate provided by the qualified person (consultant) conducting the study or the actual cost of the study. The grant may be reduced or cancelled if the study is not completed, not completed as approved, or if the consultant(s) that conducted the study are not paid.

The applicant will agree to provide the City with permission to notify the public and any other subsequent project proponents of the existence of an environmental study or studies. Permission shall be given to the City to circulate said environmental studies to internal City departments, to use the study results in compilation of an area-wide environmental database.

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<sup>11</sup> Where an application is made by an applicant who is responsible for polluting the subject property, the application must be approved by City Council rather than City staff.

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### 6.3.3 Requirements

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

- a) Polluting applicants may apply for this program only if they can demonstrate that there exists:
  - i) an offer of purchase and sale on the property;
  - ii) a redevelopment proposal for the property; and,
  - iii) insufficient environmental data to inform the preparation of a Remedial Work Plan, Risk Assessment or Risk Management Plan.
- b) An application must be submitted to and approved by the City prior to the start of any environmental study to which the grant will apply;
- c) Environmental studies shall be for the purpose of:
  - i) confirming and describing contamination at the site (Phase II ESA);
  - ii) surveying designated substances and hazardous materials at the site (Designated Substances and Hazardous Materials Survey);
  - iii) developing a plan to remove, treat, or otherwise manage contamination found on the site (Remedial Work Plan/Risk Assessment/Risk Management Plan);
- d) Applicants must complete and submit to the City for review a Phase I ESA that demonstrates that site contamination is likely;
- e) Applications will include:
  - i) a detailed study work plan;
  - ii) a cost estimate for the study; and
  - iii) a description of the planned redevelopment, including any planning applications that have been submitted/approved;
- f) All applicants participating in this program will be required to sign a commitment letter provided by the City that specifies the terms, duration and default provisions of the grant;
- g) All environmental studies shall be completed by a “qualified person” as defined by Ontario Regulation 153/04, as amended from time to time;
- h) All completed environmental studies must comply with the description of the studies as provided in the approved study work plan;
- i) One (1) electronic and two (2) hard copies of the study findings shall be supplied to the City.

### 6.4 Tax Assistance (TA) Program

#### 6.4.1 Purpose

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The purpose of the Tax Assistance (TA) Program is to encourage the remediation of brownfield sites by providing a cancellation of part or all of the property taxes on a property that is undergoing remediation and redevelopment.

### 6.4.2 Description

This program applies only to properties requiring environmental remediation and/or risk assessment/management.

The TA Program will provide a financial incentive in the form of a cancellation of part or all of the property taxes on a property during the “rehabilitation period” and the “development period” on that property as defined below. This financial incentive is referred to as “tax assistance”.

The legislative authority for the TA Program is established under Sections 365.1 (2) of the *Municipal Act, 2001* which allows municipalities to pass a by-law providing tax assistance to an eligible property in the form of cancellation of all or part of the taxes levied on that property for municipal and education purposes during the “rehabilitation period” and the “development period” of the property, as defined in Section 365.1 of the *Municipal Act, 2001*. Matching education property tax assistance for eligible properties under the provincial Brownfields Financial Tax Incentive Program (BFTIP), or through any other replacement programs administered by the Ministry of Finance, is subject to application and approval of the Minister of Finance on a case by case basis.

An “eligible property” for the TA Program is a property within the Community Improvement Project Area where a Phase II Environmental Site Assessment (ESA) has been conducted, and that as of the date the Phase II ESA was completed, did not meet the required standards under subparagraph 4i of Section 168.4(1) of the *Environmental Protection Act* to permit a Record of Site Condition (RSC) to be filed in the Environmental Site Registry.

“Rehabilitation period” means, with respect to an eligible property, the period of time starting on the date on which the by-law under subsection 365.1(2) providing tax assistance for the property is passed and ending on the earliest of:

- a) the date that is 18 months after the date that the tax assistance begins to be provided,
- b) the date that a record of site condition for the property is filed in the Environmental Site Registry under section 168.4 of the *Environmental Protection Act*, and
- c) the date that the tax assistance provided for the property equals the sum of,
  - i) the cost of any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition to be filed in the Environmental Site Registry under section 168.4 of the *Environmental Protection Act*, and
  - ii) the cost of complying with any certificate of property use issued under section 168.6 of the *Environmental Protection Act*; (“période de réhabilitation”)

“Development period” means, with respect to an eligible property, the period of time starting on the date the rehabilitation period ends and ending on the earlier of:

- a) the date specified in the by-law made under subsection 365.1(2), or

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- b) the date that the tax assistance provided for the property equals the sum of,
  - i) the cost of any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition to be filed in the Environmental Site Registry under section 168.4 of the *Environmental Protection Act*, and
  - ii) the cost of complying with any certificate of property use issued under section 168.6 of the *Environmental Protection Act*; (“période d’aménagement”).

“Eligible costs” for the TA Program are the costs of any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*.

This includes the cost of:

- i) a Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, Risk Assessment and Risk Management Plan not disbursed by the ESG Program;
- ii) environmental remediation, including the cost of preparing a RSC;
- iii) complying with the requirements of a Certificate of Property Use;
- iv) placement and compaction of fill to replace material disposed of off-site;
- v) installing risk management measures as specified in the Remedial Work Plan, Risk Assessment and/or Risk Management Plan;
- vi) monitoring, maintaining and operating risk management measures as specified in the Remedial Work Plan, Risk Assessment and/or Risk Management Plan; and,
- vii) environmental insurance premiums.

[Only costs that are associated with site contamination and are above and beyond otherwise required development costs are eligible.](#)

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

The municipal property tax assistance provided will cease:

- a) when the total tax assistance provided equals the total eligible costs as specified above;  
or,
- b) after three (3) years, whichever comes first.

The education property tax assistance will cease:

- a) when the total tax assistance provided equals the total eligible costs as specified above;  
or,
- b) after three (3) years, whichever comes first.

Matching education property tax assistance through the BFTIP, or through any other replacement program(s) administered by the Ministry of Finance is subject to application and approval by the Minister of Finance on a case by case basis, may be provided on a different schedule from the tax assistance provided by the City, and may be subject to additional conditions. The City will apply to the Minister of Finance for matching education property tax assistance on behalf of the property owner. If a property that has been approved for tax assistance is severed, subdivided,



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sold or conveyed prior to the end of the three (3) year period specified above, both the education property tax assistance and the municipal property tax assistance will automatically end.

Any property approved for tax assistance will be subject to passing of a by-law by the City that authorizes the provision of the tax assistance. This by-law will contain conditions required by the City as well as conditions required by the Minister of Finance. In order for the by-law to apply to education property taxes, before it is passed by the City, the by-law must be approved by the Minister of Finance.

Applications will be processed on a first come, first serve basis. Review and evaluation of an application and supporting materials against program requirements will be completed by City staff who will then make a recommendation to Council. The application is subject to approval by Council. As a condition of approval of an application for the Tax Assistance Program, the property owner must enter into an agreement with the City. This Agreement will specify the terms, duration and default provisions of the tax assistance.

### 6.4.3 Requirements

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

- a) An application must be submitted to and approved by City Council prior to the start of any eligible works to which the tax assistance will apply;
- b) The application must be accompanied by a Phase II ESA prepared by a qualified person that shows that the property does not meet the standards under subparagraph 4i of Section 168.4(1) of the *Environmental Protection Act* to permit a Record of Site Condition (RSC) to be filed in the Environmental Site Registry;
- c) The application must be accompanied by a Phase I ESA and a Phase II ESA, Remedial Work Plan, Risk Assessment or Risk Management Plan prepared by a qualified person that contains:
  - i) an estimate of the cost of actions that will be required to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*; and
  - ii) a work plan and budget for said environmental remediation and/or risk management actions, including pre-remediation studies and a description of the remediation proposed, including technologies to be used;
- d) As a condition of the application, the City may require the applicant to submit a Business Plan for redevelopment of the property (as applicable), with said Plan to the City's satisfaction;
- e) The property shall be redeveloped such that the work undertaken is sufficient to result in

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an increase in the assessed value of the property;

- f) The total value of the tax assistance provided under this program shall not exceed total eligible costs. This includes the costs of:
- i) a Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, Risk Assessment and Risk Management Plan not disbursed by the ESG Program;
  - ii) environmental remediation, including the cost of preparing a RSC;
  - iii) complying with the requirements of a Certificate of Property Use;
  - iv) placement and compaction of fill to replace material disposed of off-site;
  - v) installing risk management measures as specified in the Remedial Work Plan, Risk Assessment and/or Risk Management Plan;
  - vi) monitoring, maintaining and operating risk management measures as specified in the Remedial Work Plan, Risk Assessment and/or Risk Management Plan; and,
  - vii) environmental insurance premiums;

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- g) All applicants participating in this program will be required to enter into an agreement with the City that will specify the terms, duration and default provisions of the tax assistance;
- h) All TA Program applications must be approved by Council;
- i) Should the owner of the property default on any of the conditions in the by-law, deferred property taxes for municipal and school purposes (plus interest) will become payable;
- j) The owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the City proof that the RSC has been acknowledged by the Ministry of the Environment (MOE).

### 6.5 Tax Increment Based Grant (TIBG) Program

#### 6.5.1 Purpose

The purpose of the Tax Increment Based Grant (TIBG) Program is to encourage the remediation, rehabilitation and redevelopment of brownfields by providing grants to help offset the cost of remediating and rehabilitating eligible brownfield properties, including environmental studies and remediation costs not fully disbursed by the ESG Program and the TA Program, non-environmental building rehabilitation costs normally associated with brownfield site redevelopment, and the costs of constructing energy efficient and green buildings.

#### 6.5.2 Description

This program applies only to properties requiring environmental remediation and/or risk assessment/management.

The TIBG Program will provide a financial incentive in the form of an annual grant equal to 80% of the increase in municipal property taxes that results from a brownfield redevelopment project for up to ten (10) years. The 20% portion of the increase in municipal taxes will be retained by the City. [Publicly owned properties may also use the TIBG program. In this case, the grant is based on the increase in the municipal portion of payment in lieu of taxes<sup>12</sup>.](#) The TIBG program is only available for properties where environmental remediation/risk management and rehabilitation/redevelopment results in an increase in assessment value and property taxes. The grant available under this program is generally paid to the original property owner who remediated the brownfield property, even if the property is subsequently sold once it has been remediated. The grant may be assigned to a third party, subject to approval by the City.

An application can be made for the TIBG Program or the TA Program, or both programs together. If an application for both the TIBG Program and the TA Program has been approved, the annual grant available under the TIBG Program will begin when the benefits of the TA Program end.

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<sup>12</sup> [For this purpose, and only this purpose, all Payments in Lieu of Taxes will be considered “tax”.](#)

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The annual grant available under the TIBG Program can be paid only once final building inspection has taken place, reassessment of the property has taken place, and the property owner has paid the property taxes for the year in which the grant is to be provided.

“Eligible costs” for the TIBG Program include the costs of:

- i) a Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, Risk Assessment and Risk Management Plan not disbursed by the ESG Program or the TA Program;
- ii) environmental remediation, including the costs of preparing a RSC not disbursed by the TA Program;
- iii) complying with the requirements of a Certificate of Property Use not disbursed by the TA Program;
- iv) placement and compaction of fill to replace material disposed of off-site not disbursed by the TA Program;
- v) installing risk management measures as specified in the Remedial Work Plan, Risk Assessment and/or Risk Management Plan not disbursed by the TA Program;
- vi) monitoring, maintaining and operating risk management measures as specified in the Remedial Work Plan, Risk Assessment and/or Risk Management Plan not disbursed by the TA Program;
- vii) environmental insurance premiums not disbursed by the TA Program;
- viii) achieving any level of Leadership in Energy and Environmental Design (LEED) certification Program Components<sup>13</sup> including:
  - a) a base plan review by a certified LEED accredited professional;
  - b) preparing working drawings to the LEED standard;
  - c) submitting and administering the constructed element testing and certification used to determine the LEED designation;
  - d) increase in material/construction cost of LEED components over standard building code or City requirements;
- ix) demolishing buildings (excluding permit fees); and,
- x) 50% of building rehabilitation works (excluding permit fees).

[Only costs that are associated with site contamination and are above and beyond otherwise required development costs are eligible, except for LEED costs.](#)

In no case will the total amount of the grant provided under the TIBG Program exceed the total of eligible program costs provided for under the Brownfield CIP and eligible program costs provided for under all other CIPs programs (e.g. Downtown CIP). There will be no double counting of eligible costs. If the costs for demolition are being sought, the City will use the assessment value of the property prior to demolition in the calculation of the tax increment based grant. Where a property has been approved for financial incentive programs outside of those in the Brownfield Redevelopment CIP, including those within the Downtown Guelph CIP or provided for under part IV of the *Heritage Act*, staff will coordinate the grants and implementing agreements to ensure that the total amount paid under all of the tax increment type programs does not exceed the total available portion of the tax increment on a property, as specified in the respective CIPs or policies.

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<sup>13</sup>Maximum total allowable cost of items a) to d) is 10% of total construction costs.

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

Applications will be processed on a first come, first serve basis. Review and evaluation of an application and supporting materials against program eligibility requirements will be done by City staff who will then make a recommendation to City Council. The application is subject to approval by City Council. As a condition of approval of an application for a TIBG, the applicant must enter into an agreement with the City. This Agreement will specify the terms, duration and default provisions of the grant. The City may revise its standard TIBG agreement to accommodate multi-phase projects.

The amount of municipal taxes levied (“base rate”) will be determined before commencement of the project. The increase in the municipal portion of real property taxes (or “municipal tax increment”) will be calculated as the difference between the base rate and the amount of municipal taxes levied as a result of re-valuation by the Municipal Property Assessment Corporation (MPAC) following project completion. The TIBG grant will be calculated as 80% of the municipal tax increment and will be recalculated every year based on the municipal tax increment every year. Grant payments will be capped such that the total grants at any time do not exceed the total municipal property taxes collected since the project was re-assessed as a result of the redevelopment.

[TIBG grant recipients may be eligible to have all or a part of the required Development Charges \(DCs\) for a project deferred up to the lesser of the estimated Eligible Costs or 80% of the estimated tax increment for 10 years. The first TIBG grants would be directed toward recovering DCs. Once DCs are fully recovered with interest, any remaining Eligible Costs would be reimbursed through TIBG grant payments to the owner. Late payment of DCs will be administered through a DC late payment agreement, enabled by the Development Charges Act, and subject to Council approval.](#)

### 6.5.3 Requirements

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

- a) An application must be submitted to and approved by City Council prior to the start of

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any eligible works to which the tax increment based grant will apply<sup>14</sup>;

- b) Such application shall include reports, plans, estimates, contracts and other details as may be required to satisfy the City with respect to the eligible costs and conformity of the project with the CIP;
- c) The application must be accompanied by a Phase II ESA, Remedial Work Plan, Risk Assessment or Risk Management Plan prepared by a qualified person that contains:
  - i) an estimate of the cost of actions that will be required to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act [or to meet the requirements of the City's Guidelines for Development of Contaminated or Potentially Contaminated Sites \(2016\) or its successor](#); and,
  - ii) a work plan and budget for the environmental remediation, and/or risk management actions;
- d) As a condition of the grant application, the City may require the applicant to submit a Business Plan for the proposed redevelopment including a proforma, to the City's satisfaction;
- e) The property shall be redeveloped such that the amount of work undertaken is sufficient to result in an increase in the assessed value of the property;
- f) The total value of the grant provided under this program shall not exceed total eligible costs. This includes the costs of:
  - i) a Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, Risk Assessment and Risk Management Plan not disbursed by the ESG Program or the TA Program;
  - ii) environmental remediation, including the costs of preparing a RSC not disbursed by the TA Program;
  - iii) complying with the requirements of a Certificate of Property Use not disbursed by the TA Program;
  - iv) placement and compaction of fill to replace material disposed of off-site not disbursed by the TA Program;
  - v) installing risk management measures as specified in the Remedial Work Plan, Risk Assessment and/or Risk Management Plan not disbursed by the TA Program;
  - vi) monitoring, maintaining and operating risk management measures as specified in the Remedial Work Plan, Risk Assessment and/or Risk Management Plan not disbursed by the TA Program;

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<sup>14</sup> With the exception of complete applications for Tax Increment Based Grants submitted to the City within 18 months of approval of this CIP in respect of the property at 35 and 40 Silvercreek Parkway South pursuant to Clauses 16-19 of Ontario Municipal Board Minutes of Settlement dated March 1, 2009, OMB File No. PL070533, or an amended settlement, provided that Clauses 16-19 remain in full force and effect on the date the City Council considers such an application; and in respect of the property at 84 and 86 Wyndham Street South and 68A, 68B and 72 York Road.

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- vii) environmental insurance premiums not disbursed by the TA Program;
  - viii) achieving any level of Leadership in Energy and Environmental Design (LEED) certification Program Components<sup>15</sup> including:
    - a) a base plan review by a LEED accredited professional;
    - b) preparing working drawings to the LEED standard;
    - c) submitting and administering the constructed element testing and certification used to determine the LEED designation;
    - d) increase in material/construction cost of LEED components over standard building code or City requirements;
  - ix) demolishing buildings (excluding permit fees); and,
  - x) 50% of building rehabilitation and retrofit works (excluding permit fees).
- g) All applicants participating in this program will be required to enter into an agreement with the City which will specify the terms, duration and default provisions of the grant;
- h) All TIBG Program applications must be approved by City Council;

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<sup>15</sup> Maximum total allowable cost of items a) to d) is 10% of total construction costs.

## **City of Guelph Brownfield Redevelopment Community Improvement Plan**

- i) If a building(s) erected on a property participating in this program is demolished before the grant period expires, the remainder of the monies to be paid out under the grant shall be forfeited;
- j) The owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the City proof that the RSC has been acknowledged by the Ministry of the Environment (MOE).



### 7.0 MONITORING PROGRAM

#### 7.1 Purpose

The City of Guelph Brownfield Redevelopment CIP is not intended to be a static planning document. It is intended to be a proactive plan for economic and community renewal and revitalization. Therefore, the primary purpose of the Monitoring Program is to monitor the performance and impact of the incentive programs and utilize this information to make adjustments to the incentive programs in order to help ensure that the goals of this CIP are successfully accomplished.

The Monitoring Program set out in this section has several purposes. It is designed to monitor:

- a) Funds dispersed through the CIP incentive programs by program type so as to determine which programs are being most utilized;
- b) The economic impact associated with projects taking advantage of the CIP incentive programs in order to determine the leverage ratio of private sector investment being leveraged by public sector investment;
- c) Feedback from users of the incentive programs so that adjustments can be made to the incentive programs over time as necessary.

#### 7.2 Description

**Figure 3** presents a list of the variables that should be monitored by the City on an individual project and aggregate basis for the incentive programs. As well, the feedback received from users of the financial incentive programs should also be considered. It is important that the results of the monitoring program be utilized to help ensure that the incentive programs be effective as possible for both small and large brownfield redevelopment projects.

The City should also attempt to monitor the results of the programs in Figure 3 in terms of environmental, financial and social benefits. For example, it is important to highlight environmental and health threats that are removed through the remediation and risk management of contaminated sites. The increase in long-term property tax revenues from a brownfield redevelopment project can be compared to the total municipal financial incentive provided to the project to determine which projects are providing the highest return on investment.. Improvements in property values in areas and neighbourhoods where brownfield redevelopment projects are taking place should also be monitored.

Progress on implementation and the empirical results of the incentive programs should be reported to Council annually and will be coordinated with reporting on the Downtown Guelph CIP. The monitoring results should also be used to recommend any adjustments that should be made to the terms and requirements of the financial incentive programs in order to improve the uptake and delivery of the programs.

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**Figure 3 Variables to be Monitored**

Program	Variable
Environmental Study Grant (ESG) Program	<ul style="list-style-type: none"> <li>- Property location</li> <li>- Number of applications</li> <li>- Type of ESA (Phase II, Remedial Work Plan, or Risk Assessment)</li> <li>- Cost of study</li> <li>- \$ Amount of Grant</li> <li>- Number of Grant Applications leading to TA applications, TIBG applications and/or actual environmental remediation and rehabilitation projects</li> <li>- Time required to approve complete application</li> </ul>
Tax Assistance (TA) Program	<ul style="list-style-type: none"> <li>- Property location</li> <li>- Number of applications</li> <li>- Increase in assessed value of participating properties</li> <li>- Estimated and actual amount of municipal and education tax assistance provided</li> <li>- Hectares/acres of land remediated and redeveloped</li> <li>- Industrial/commercial space (sq.ft.) rehabilitated or constructed</li> <li>- Residential units/sq.ft. rehabilitated or constructed</li> <li>- \$ Value of private sector investment leveraged</li> <li>- Jobs created/maintained</li> <li>- Number of program defaults</li> <li>- Time required to approve complete application</li> </ul>
Tax Increment Based Grant (TIBG) Program	<ul style="list-style-type: none"> <li>- Property location</li> <li>- Number of applications</li> <li>- Increase in assessed value of participating properties</li> <li>- Increase in municipal and education property taxes of participating properties</li> <li>- Estimated and actual amount of tax increment based grants provided</li> <li>- Hectares/acres of land remediated and redeveloped</li> <li>- Industrial/commercial space (sq.ft.) rehabilitated or constructed</li> <li>- Residential units/sq.ft. rehabilitated or constructed</li> <li>- \$ Value of private sector investment leveraged</li> <li>- Jobs created/maintained</li> <li>- Number of program defaults</li> <li>- Time required to approve complete application</li> </ul>

### 7.3 Program Adjustments

This CIP may be periodically reviewed and adjusted based on feedback obtained through program administration. Minor changes to the CIP require Council approval, without undertaking a formal amendment in accordance with the *Planning Act* provided the change(s) conform(s) to the Official Plan and applicable Provincial Policy and legislation. These minor changes may include, but are not limited to:

- minor changes that arise as a result of amendments to legislation or the Official Plan;
- removal of a financial incentive program(s);
- minor changes to the application procedures of any financial incentive program; and,
- minor text changes that clarify any part of the CIP.

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Formal amendments to the CIP will be required in accordance with the *Planning Act* when substantive changes to the CIP are made. Substantive changes may include, but are not limited to:

- changes to the Community Improvement Project Area;
- the addition of a financial incentive program(s); and,
- any alteration or addition to existing program details, eligibility criteria and/or eligible costs that may change the intent of the CIP and/or result in an increased liability to the City.

The City will consult with the Ministry of Municipal Affairs ~~and Housing~~ concerning any formal amendments to the Community Improvement Plan.

The City will conduct periodic reviews of the CIP to assess its effectiveness, need for continuation, and suggested changes that may be considered by way of minor change or formal amendment.

### 8.0 MARKETING STRATEGY

#### 8.1 Purpose

It is important for the successful implementation of the Brownfield Redevelopment CIP that the City's incentive programs be effectively communicated to property owners, developers, potential end users, and support professionals both within and outside the City. The purpose of this Marketing Strategy is to proactively and regularly advertise and market the City's brownfield redevelopment incentive programs in order to help implement the Brownfield CIP. Therefore, the City should implement a comprehensive Marketing Strategy to:

- a) market its brownfield redevelopment programs and brownfield redevelopment opportunities;
- b) provide information on obtaining assistance and advice from the City;
- c) educate the public and other stakeholders on environmental site assessment and remediation processes; and,
- d) raise awareness of Leadership in Energy and Environmental Design (LEED) certification of buildings.

#### 8.2 Target Audience

The Marketing Strategy should be targeted to:

- a) Brownfield stakeholders i.e., those who enable brownfield properties to be transacted, remediated and rehabilitated, including:
  - i) owners/managers of brownfield properties in Guelph;
  - ii) potential developers of brownfield properties; and
  - iii) potential end users.
- b) Support professionals, including:
  - i) lending institutions such as banks and trust companies;
  - ii) real estate professionals and organizations;
  - iii) environmental consultants and contractors;
  - iv) legal services industry; and
  - v) planning consultants and architects.
- c) The general public, in order to enhance support for the Brownfield CIP and site-specific brownfield redevelopment projects.

#### 8.3 Marketing Tools

The marketing of the Brownfield Redevelopment CIP programs should be a comprehensive multi-media campaign containing information, education and advertising components. The following key tools are recommended to implement the Marketing Strategy:

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### a) Publications

- i) A brochure containing pertinent points and a description of the financial incentive programs available from the City, including general program requirements and how to apply;
- ii) The brownfield incentive programs and any brownfield redevelopment success stories should be profiled in publications and newsletters published by the City;
- iii) Applications for the incentive programs should be accompanied by Program Guides that provide a description of “how to apply” for the programs.

### b) Web Site Materials

- i) The City’s web page should be updated and enhanced to include the CIP and all marketing materials.

### c) Presentations to Brownfield Stakeholders and Support Professionals

- i) City staff should make periodic presentations on the Brownfield Redevelopment CIP, available incentives programs, and brownfield success stories to industry groups such as the development community, real estate, environmental and planning consultants, finance, insurance and legal professionals. This direct face-to-face marketing tool is a very important component of the Marketing Strategy.

### d) Attendance at Brownfield Conferences

Key City staff and councillors should attend brownfield conferences in order to further educate themselves on brownfield redevelopment and proactively market the City’s brownfield redevelopment programs and opportunities utilizing the above-noted publications and materials.

### e) Media Releases

Press releases and profiles of successful brownfield redevelopment projects and initiatives should be sent to local and outside media.

## 8.4 Key Messages

The following are the key messages that should be integrated into the above-noted publications, web site materials, presentations and media releases:

- a) Brownfields are vacant or underutilized sites that may have real or perceived contamination problems – a Phase I and II ESA should be done to determine the type and extent of soil and groundwater contamination;
- b) The impediments to brownfield redevelopment can be overcome by the use of innovative approaches to planning, remediation and the use of available financial incentives;
- c) The cleaning up and rehabilitation of brownfield sites results in improvements in environmental quality, human health and economic growth;

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- d) Brownfields represent a significant economic and development opportunity in Guelph;
- e) Brownfield redevelopment is Smart Growth because it efficiently uses existing services, reduces the need to develop greenfields on agricultural lands and lessens the associated environmental and infrastructure costs;
- f) Brownfield reinvestment brings economic activity to derelict and underused sites. It will generate employment and increased property tax revenues for the City of Guelph;
- g) Brownfield redevelopment can revitalize blighted mixed use commercial areas, residential neighbourhoods and employment areas, resulting in an enhanced quality of life for the residents of Guelph;
- h) The City of Guelph is being proactive in encouraging reinvestment in brownfield sites by implementing brownfield supportive planning policies and offering financial incentive programs; and,
- i) The City wants to find new opportunities and partnerships to deal with brownfields and the City is looking for interest from all types of developers and entrepreneurs (big and small).

## **City of Guelph Brownfield Redevelopment Community Improvement Plan**

### **9.0 CONCLUSION**

The programs and actions contained in this CIP have been developed to address the key impediments to brownfield redevelopment and achieve the goals specified in the CIP. The adoption and approval of this CIP will provide the legislative basis and comprehensive policy framework to guide the City of Guelph programs designed to promote and achieve brownfield redevelopment.

Experience in other municipalities has shown that early and effective marketing of incentive programs and brownfield redevelopment opportunities greatly improves the success of a Brownfield CIP. Therefore, it is important that the City devote sufficient resources to this activity.

This Brownfield Redevelopment CIP is not a static plan. Ongoing monitoring of the performance of the incentive programs and adjustment of the programs as required will help to ensure the responsiveness and effectiveness of this CIP. In this regard, the monitoring program and feedback from program users should be utilized to inform adjustments to the CIP.

### 10.0 REFERENCES

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**APPENDIX A**

**City of Guelph Official Plan – Community Improvement Policies**

### 4.7.10.3 Community Improvement

The Community Improvement provisions of the Planning Act allow municipalities to prepare and adopt community improvement plans for designated community improvement project areas. Once a community improvement plan has been adopted by the City and has come into effect, the City may undertake a wide range of actions for the purpose of carrying out the community improvement plan, including but not limited to, the acquisition and development of land and/or buildings and the provision of grants and loans to owners and tenants of land and their assignees.

#### Objectives

- a) To maintain and improve the quality, safety and stability of the built environment within the community.
- b) To encourage the renewal, rehabilitation, redevelopment or other improvement of private and public lands and/or buildings.
- c) To maintain and upgrade municipal physical and community facility infrastructure.
- d) To maintain and upgrade the transportation network to ensure adequate traffic flow, pedestrian circulation, and parking facilities.
- e) To maintain and upgrade public recreational, park and open space facilities.
- f) To encourage the preservation, restoration, adaptive reuse and improvement of historical or architecturally significant buildings.
- g) To encourage maximum use of existing municipal services through the infilling, intensification and redevelopment of lands and buildings which are already serviced with municipal services.
- h) To improve and maintain the physical and aesthetic qualities and amenities of streetscapes.
- i) To encourage the eventual elimination and/or relocation of incompatible land uses, and where this is not feasible, to encourage physical improvements to minimize the incompatibility.
- j) To improve environmental conditions.
- k) To improve social conditions.
- l) To promote cultural development and the development of cultural facilities.
- m) To encourage and support environmentally sustainable development.
- n) To guide and prioritize the expenditure of public funds on community improvements.
- o) To encourage community partners to maintain, upgrade and/or add community facilities and services.

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### Community Improvement Project Areas

- 4.7.1 The City may from time to time pass by-laws to designate one or more "Community Improvement Project Areas" as provided for by the Planning Act. The entire City of Guelph, or any part of the City, may be designated by by-law as a Community Improvement Project Area.
- 4.7.2 Council will consider the following criteria in the designation of Community Improvement Project Areas:
- a) A significant portion of the building stock, building facades and/or properties in an area are in need of maintenance, preservation, restoration, repair, rehabilitation, redevelopment, energy efficiency or renewable energy improvements;
  - b) Deterioration or deficiencies in physical infrastructure including but not limited to sanitary sewer, storm sewer and/or water supply systems, roads, sidewalks, curbs, gutters, streetscapes and/or street lighting, and municipal parking facilities;
  - c) Deterioration or deficiencies in the level of community and social services such as public open space, municipal parks, neighbourhood parks, indoor/outdoor recreational facilities, and public social facilities;
  - d) Vacant lots and/or underutilized properties and buildings which have potential for infill, redevelopment or expansion to better utilize the land base;
  - e) Presence of buildings and/or lands of architectural or heritage significance;
  - f) An inappropriate range of housing types and densities including insufficient affordable housing;
  - g) Non-conforming, conflicting, encroaching or incompatible land uses or activities;
  - h) A shortage of land to accommodate widening of existing rights-of-way, building expansion, parking and/or loading facilities;
  - i) Within commercial areas, there are high vacancy rates, deterioration in the appearance of building facades, business signage, streetscapes, public amenity areas and urban design, inadequate parking facilities or inadequate pedestrian accessibility;
  - j) Within industrial areas, there are obsolete industrial buildings/sites, poor accessibility, inadequate parking, loading and outside storage areas;
  - k) Known or suspected environmental contamination;
  - l) There is an opportunity to implement the goals of the Community Energy

## City of Guelph Brownfield Redevelopment Community Improvement Plan

Plan;

- m) Other significant barriers to the repair, rehabilitation or redevelopment of underutilized land and/or buildings; and,
- n) Other significant environmental, social or community economic development reasons for community improvement.

**4.7.3** Priority for the designation of community improvement project areas and the preparation and adoption of community improvement plans shall be given to:

- a) Those areas where the greatest number of criteria for designation of Community Improvement Project Areas are present; and/or,
- b) Those areas where one or more of the criteria for designation of Community Improvement Project Areas is particularly acute; and/or,
- c) Those areas where one or more of the criteria for designation of Community Improvement Project Areas exists across the entire municipality or a large part of the municipality.

### Phasing

**4.** The phasing of community improvements shall be prioritized to:

- a) Implement those improvements that will most substantially improve the aesthetic, environmental and service qualities of a community improvement project area;
- b) Reflect the financial capability of the City to fund community improvement projects;
- c) Take advantage of available senior government programs that offer financial assistance for community improvement efforts; and,
- d) Coordinate the timing of related capital expenditures from various municipal departments with departmental priorities.

### Implementation

**4.7.5** In order to implement a Community Improvement Plan that has come into effect, the City may make full use of the municipal authority granted it under the Planning Act and other Provincial and Federal legislation, and more specifically, the City may undertake a range of actions, including:

- a) The municipal acquisition of land and/or buildings and the subsequent;
  - i) Clearance, grading, or environmental remediation of these properties;

## City of Guelph Brownfield Redevelopment Community Improvement Plan

- ii) Repair, rehabilitation, construction or improvement of these properties;
  - iii) Sale, lease, or other disposition of these properties to any person or governmental authority;
  - iv) Other preparation of land or buildings for community improvement.
- b) Provision of public funds such as grants and loans to owners and tenants of land and their assignees;
  - c) Coordination of public and private redevelopment and rehabilitation by providing administrative and liaison assistance;
  - d) Application for financial assistance from and participation in senior level government programs that provide assistance to municipalities and/or private landowners for the purposes of community improvement;
  - e) Programs and measures to promote energy efficient development, redevelopment and retrofit projects;
  - f) Encouraging the preservation, rehabilitation, renewal and reuse of cultural heritage *resources* and support of heritage conservation through means available under the Ontario Heritage Act;
  - g) Continued enforcement of the Property Standards By-law, the Zoning By-law, the Sign By-law and any other related by-laws and policies;
  - h) Continuing to support the Downtown Guelph Business Association Board (the Business Improvement Area administration pursuant to the Municipal Act) in its efforts to maintain a strong and viable downtown;
  - i) 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.

4.7.6 Council shall be satisfied that its participation in community improvement activities will be within the financial capabilities of the City.

**APPENDIX B**

**Environmental Study Grant (ESG) Program Administration**

(This appendix does not form an operative part of the Community Improvement Plan and may be changed from time to time, as required, without amendment to the CIP).

## City of Guelph Brownfield Redevelopment Community Improvement Plan

### Environmental Study Grant (ESG) Program Administration

#### Step 1 Application Submission

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

Staff may perform an initial site visit(s) and inspection(s) of the building/property (as necessary).

Before accepting an application, staff will screen the application. If the application is not within the Community Improvement Project Area, or the application clearly does not meet the program eligibility criteria, the application will not be accepted and it will be returned to the applicant with a letter explaining the reason for not accepting the application.

Applications will include:

- a) a Phase I ESA that shows the property is suspected of environmental contamination;
- b) a detailed study work plan and cost estimate for the study, submitted by a qualified person as defined in Ontario Regulation 153/04, as amended from time to time; and
- c) a description of the planned redevelopment, including reference to any planning applications that have been submitted/approved.

Acceptance of the application by the City in no way implies program approval nor approval of any *Planning Act* applications on the subject lands. Program eligibility will be determined by staff and applications will be approved by staff only if they meet the criteria specified in this Plan and any other City requirements.

#### Step 2 Application Review and Evaluation

Applications and supporting materials will be reviewed by staff against program requirements. A decision on the grant application will be made by staff<sup>16</sup>.

All environmental site assessments approved under this program must be completed and submitted by a qualified person as defined under Ontario Regulation 153/04, as amended from time to time. All completed environmental site assessments must comply with the description of the study as provided in the grant application form.

#### Step 3 Application Approval

If an application is approved, the applicant will be sent a letter that outlines the terms of the grant and the amount of the grant. If an application is not approved, the applicant will also be advised by letter. The grant amount will be equal to 50% of the estimated cost of the study (excluding taxes) or 50% of the actual cost of the study (excluding taxes), whichever is less, to a maximum grant of \$~~15~~30,000.

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<sup>16</sup> Where an application is made by a polluting applicant, the application must be approved by City Council rather than City staff.

## **City of Guelph Brownfield Redevelopment Community Improvement Plan**

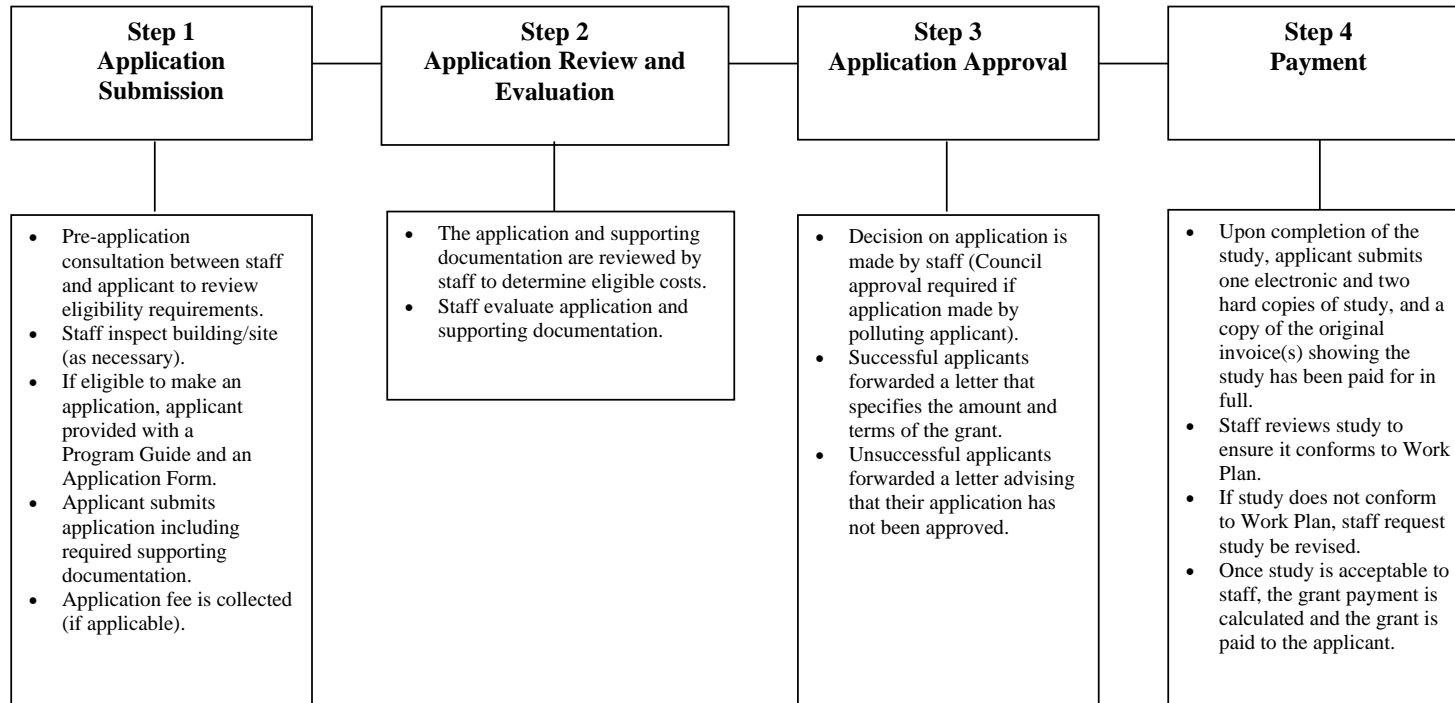
### **Step 4 Payment**

Grants approved under this program would be provided to applicants following submission to the City of one electronic and two hard copies of the final completed environmental site assessment with a copy of the original invoice, indicating that the study consultants have been paid in full. The grant may be reduced or cancelled if the study is not completed, not completed as approved, or if the consultant(s) that conducted the study have not been paid in full.



# City of Guelph Brownfield Redevelopment Community Improvement Plan

Figure B-1 Environmental Study Grant (ESG) Program Administration



**APPENDIX C**

**Tax Assistance (TA) Program Administration**

(This appendix does not form an operative part of the Community Improvement Plan and may be changed from time to time, as required, without amendment to the CIP).

### Tax Assistance (TA) Program Administration

#### Step 1 Application Submission

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

Staff will perform an initial site visit(s) and inspection(s) of the building/property (as necessary).

Before accepting an application, staff will screen the application. If the application clearly does not meet the program requirements, the application will not be accepted and it will be returned to the applicant with a letter explaining the reason for not accepting the application.

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

Acceptance of the application by the City in no way implies program approval nor approval of any *Planning Act* applications on the subject lands. Program eligibility will be determined by staff and applications will be recommended for approval only if they meet the requirements specified in this Plan and any other requirements of the City.

#### Step 2 Application Review and Evaluation

Applications and supporting materials and documentation are reviewed by staff against program requirements and staff will determine the eligible works and costs.

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

Where staff will be recommending approval of an application for the TA Program, staff will prepare the following documents:

- a) A recommendation report to Council or Council's designate on the TA Program Application;
- b) a TA Program Agreement;
- c) a draft by-law to authorize municipal and education tax assistance under Section 365.1 of the *Municipal Act, 2001*; and
- d) an application to the Minister of Finance for education property tax assistance.

A recommendation report will be prepared by staff. If this report recommends approval of the application, an agreement satisfactory to the City Solicitor will also be prepared. This agreement

## City of Guelph Brownfield Redevelopment Community Improvement Plan

will contain conditions to ensure that the project is commenced and completed in a timely fashion. This agreement will be forwarded to the applicant to be dated and signed.

Items a) – d) above will be forwarded to the Minister of Finance. Education property tax assistance through the Brownfield Financial Tax Incentive Program (BFTIP), or through any other replacement programs administered by the Province is subject to approval by the Minister of Finance. Once written approval of the by-law is received from the Minister of Finance, any conditions or restrictions specified by the Minister will be included in the by-law.

### **Step 3 Application Approval**

The Minister of Finance is currently prepared to authorize municipal applications for matching education property tax assistance for a maximum of three (3) years from the date of the passing of the by-law. The matching education property tax assistance may be provided on a different schedule from the tax assistance provided by the City and may be subject to additional conditions.

If Council approves the TA Program Application and adopts the by-law as approved by the Ministry of Municipal Affairs and Housing, the agreement will then be executed by the authorized City officials and a copy will be provided to the property owner. A copy of the by-law, including all information prescribed by Ontario Regulation 274/04 will be forwarded to the Minister of Municipal Affairs and Housing and the Minister of Finance within 30 days of passing of the by-law by the City.

### **Step 4 Payment**

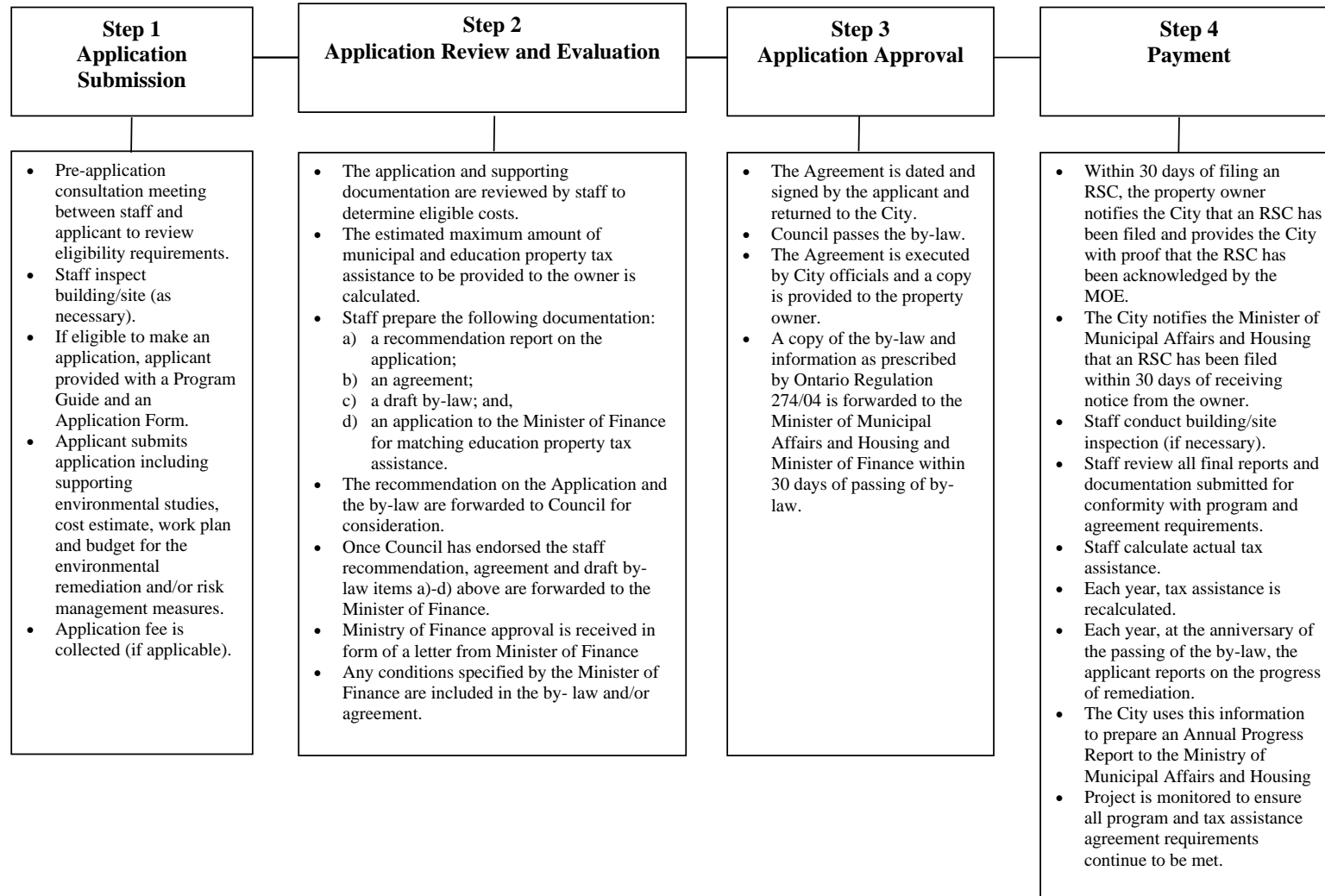
Where the Minister of Finance has approved an application for matching education property tax assistance, the municipal property tax assistance and education property tax assistance will begin as stipulated in the by-law for tax assistance approved by Council.

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

Tax assistance will not be provided until the landowner has met the program requirements related to the rehabilitation and development of the lands. All property taxes will be payable and will be collected until the program requirements have been satisfied. Once the requirements have been satisfied and approval has been granted by the City and Ministry of Municipal Affairs and Housing, tax assistance for both the municipal and education amounts would be provided to the landowner as identified in the by-law.

# City of Guelph Brownfield Redevelopment Community Improvement Plan

**Figure C-1 Tax Assistance (TA) Program Administration**



**APPENDIX D**

**Tax Increment Based Grant (TIBG) Program Administration**

(This appendix does not form an operative part of the Community Improvement Plan and may be changed from time to time, as required, without amendment to the CIP).

## Tax Increment Based Grant (TIBG) Program Administration

### Step 1 Application Submission

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

Staff will perform an initial site visit(s) and inspection(s) of the building/property (as necessary).

Before accepting an application, staff will screen the application and proposal. If the application is not within the Community Improvement Project Area, or the application clearly does not meet the program requirements, the application will not be accepted and it will be returned to the applicant with a letter explaining the reason for not accepting the application.

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

Acceptance of the application by the City in no way implies program approval nor approval of any *Planning Act* applications on the subject lands. Applications will be recommended for approval only if they meet the requirements specified in this Plan and any other requirements of the City.

### Step 2 Application Review and Evaluation

Applications and supporting materials and documentation are reviewed by staff against program requirements and staff will determine the eligible works and costs.

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

Where staff will be recommending approval of an application for a Tax Increment Based Grant, staff will prepare the following documents:

- i) a recommendation report to Council; and,
- ii) a Tax Increment Based Grant Program Agreement satisfactory to the City Solicitor.

The Tax Increment Based Grant Program Agreement will contain conditions to ensure that the project is commenced and completed in a timely fashion.

### Step 3 Application Approval

The recommendation report will then be presented to Council for consideration. If Council approves the Application, a draft Tax Increment Based Grant Program Agreement will be presented to the applicant. Once the City and applicant are satisfied, the Agreement will be executed by the authorized City officials and a copy will be provided to the owner.

### Step 4 Payment

Once remediation of the property is complete, the property owner shall file a RSC in the Environmental Site Registry for the property signed by a qualified person, and the owner shall submit to the City proof that the RSC has been acknowledged by the Ministry of the Environment (MOE). Prior to payment of the grant, the applicant must provide the City with:

- a) actual cost of the project;
- b) other documentation proving completion of the project, e.g., engineer's report required;
- c) all final reports and documentation, as required.
- d) photographic evidence of the completed works satisfactory to the City;
- e) invoices for all eligible work completed and a summary of eligible costs paid; proof of payment of contractors in full.

Staff will conduct a final building/site inspection (as necessary) to ensure that the project has been completed in accordance with the grant application and agreement.

Once the redevelopment project is complete, final building permit inspection has been conducted, and the property has been re-valued by the Municipal Property Assessment Corporation, the property owner will be sent a new tax bill. After the new property taxes have been paid for one (1) year, the City will check to ensure that the applicant has not filed any assessment appeals, the property is still in conformity with all program and grant agreement requirements. The City will calculate the actual tax increment and grant payment. The City will then issue payment of the grant in the form of a cheque in the amount specified as per the calculation of the actual grant payment.

Staff will monitor the project, periodically checking that the project is in compliance with all program and grant agreement requirements. Staff will take appropriate remedies as specified in the grant agreement if the applicant defaults on the agreement.



# City of Guelph Brownfield Redevelopment Community Improvement Plan

**Figure D-1 Tax Increment Based Grant (TIBG) Program Administration**

