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EXECUTIVE SUMMARY

Introduction

Brownfields are abandoned, idled or underutilized properties where past actions caused known or suspected environmental contamination, but where there is an active potential for redevelopment. There are at least two dozen known brownfield sites in Oakville. In addition to the potential negative environmental impacts, the existence of brownfields in Oakville is impacting the Town’s ability to meet intensification and growth targets, attract employment, and increase its assessment base.

The Federation of Canadian Municipalities (FCM) approved a 50% matching grant for the Town of Oakville to prepare a Brownfield Strategy and Community Improvement Plan (CIP). This Strategy and the CIP is one of three key elements of the Town’s Comprehensive Brownfield Management Project.

The first step in the project was to develop the Brownfield Strategy which informs the development of the CIP. Once adopted and approved, the CIP will enable the Town to offer incentive programs specifically designed to help promote brownfield site remediation and redevelopment. Experience with Brownfield CIPs in municipalities like Hamilton has demonstrated that municipal incentive programs leverage significant private sector investment in brownfield remediation and redevelopment, resulting in residential, mixed use and industrial land redevelopment and intensification, and significant increases in assessment, property taxes and employment.

Methodology

The first step in the preparation of the Brownfield Strategy and CIP was to conduct a multi-faceted review of Town, Regional and Provincial policies around brownfield redevelopment. This was followed by a review of best practices in other Ontario and Canadian municipalities that have successfully utilized CIPs to promote brownfield redevelopment. An analysis of critical brownfield community improvement needs in Oakville was then conducted, including a review of information, data, and a tour of brownfield sites and areas by staff and the consultant.

The first Stakeholder Workshop was held on February 24, 2017 where input was received from participants including brownfield property owners, developers, and consultants on their critical needs for brownfield redevelopment in Oakville and the types of incentive programs and other municipal actions that would work best to address these needs. The consultant then developed preliminary incentive concepts and these were presented to senior Town staff on April 4, 2017 and refined based on their input.

The brownfield community improvement needs and draft incentive programs were then presented at a second Stakeholder Workshop held on July 24, 2017 where the draft incentive programs were well received by those in attendance and a few minor revisions were suggested. A Public Meeting was also held on July 24, 2017. Finally, the Draft Brownfield Strategy was presented to Planning and Development Council on September 11, 2017 and endorsed as the basis for preparation of the CIP.

Policy Support

The review of Town, Regional and Provincial policies determined that there is strong support for a Brownfield Strategy and CIP at all three levels of government. Provincial policies such as the Growth Plan and the Provincial Policy Statement, and the Regional Official Plan, promote intensification including the redevelopment of brownfield sites. The Town’s Vision 2057 framework and plans such as the Sustainability
Plan, Livable Oakville Official Plan, and the Environmental Strategic Plan reinforce the need for a Brownfield Strategy and provide direction for the CIP. For example, these Town policies stress that intensification and brownfield redevelopment should be environmentally sustainable, well designed, affordable, and provide economic and employment opportunities.

**Community Improvement Needs and Goals**

The community improvement needs analysis determined that there is a need for financial assistance on brownfield sites in Oakville for the cost of:

- Environmental studies;
- Environmental remediation;
- Building demolition, renovation and upgrading; and,
- On-site infrastructure upgrading.

The main goal of the CIP will be to stimulate more remediation and renovation, expansion, adaptive re-use, and redevelopment of brownfield sites in Oakville. Other key goals of the CIP include:

**Economic**

a) Retain and increase employment opportunities;

b) Increase tax assessment and property tax revenues;

c) Increase construction activity and building permits;

d) Make more efficient use of existing public infrastructure and services; and,

e) Improve the potential profitability of brownfield sites.

**Environmental**

a) Improve the quality of environmental studies done on potential brownfield sites;

b) Promote remediation of contaminated lands to improve land, water, air quality and wildlife habitat;

c) Ensure that remediated brownfield sites are environmentally suitable for the proposed use(s);

d) Reduce greenhouse gas emissions;

e) Reduce the environmental impact of brownfield redevelopment; and,

f) Promote the construction of energy, water and wastewater efficient sustainable buildings and community design.

**Livability**

a) Improve the physical and visual quality of brownfield sites;

b) Improve building and site design and construction quality;

c) Support intensification of growth areas for mixed use, compact, land efficient forms of development;

d) Preserve heritage buildings;

e) Increase the supply and range of housing types to meet projected requirements of current and future residents;

f) Increase the supply of affordable and special needs housing; and,

g) Create more high quality public spaces.
As secondary goals, it was determined that the CIP incentive programs should also promote:

- Employment growth;
- Environmentally sustainable buildings;
- High quality building and site design/construction; and,
- Affordable housing.

**Community Improvement Project Area**

Under the Planning Act, for a Council to adopt a community improvement plan the local municipality must designate, by bylaw, a specific property, area or entire community as a community improvement project area. In order to promote brownfield redevelopment across Oakville, the Community Improvement Project Area (CIPA) will be “all land within the urban area of the Town of Oakville, as amended from time to time”. However, it was determined through the policy review, critical needs analysis and stakeholder consultation that Employment Areas (Priority Area 1) should have the highest priority, followed by the Growth Areas (Priority Area 2), and then the Rest of the Urban Area (Priority Area 3). Employment areas are given the highest priority because brownfield redevelopment in these areas addresses all of the key issues identified – environmental, financial and economic development. The boundary of the CIPA and the three priority sub-areas is shown in the figure below.
**Incentive Programs**

The Incentive Programs proposed for inclusion in the CIP have been custom designed to respond to the identified critical needs for brownfield redevelopment in Oakville so the main and secondary goals for brownfield redevelopment in Oakville can be achieved over time. Once the CIP has been adopted and approved, the proposed Incentive Programs can be activated by Council, one or more at a time, based on Council approval of the implementation of each program, subject to the availability of funding. The CIP is an enabling document, however, Council is under no obligation to activate and implement any of the incentive programs contained in the CIP. The approval of the Brownfield CIP will not obligate Town Council to offer all or any of the incentive programs contained in the CIP. Town Council will be in full control of the implementation of the incentive programs.

General requirements that apply to all the proposed Incentive Programs and program specific requirements will be included in the CIP to help ensure that the Town’s goals for brownfield redevelopment will be achieved while protecting the financial interests of the Town.

The following three (3) proposed Incentive Programs have been developed for inclusion in the CIP.

1. Environmental Study Grant (ESG) Program;
2. Tax Assistance Program (TAP); and,
3. Tax Increment Grant (TIG) Program.

A basic description of these incentive programs is provided below and summarized in the table below.

**Summary of Proposed Incentive Programs**

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Program Description</th>
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<tbody>
<tr>
<td><strong>Environmental Study Grant (ESG) Program</strong></td>
<td>Grant equal to 50% of the cost of eligible environmental studies to a maximum:</td>
</tr>
<tr>
<td></td>
<td>a) grant of $3,000 for a Phase I ESA;</td>
</tr>
<tr>
<td></td>
<td>b) grant of $20,000 for any other eligible environmental study;</td>
</tr>
<tr>
<td></td>
<td>c) of two (2) studies per project and $30,000 per project.</td>
</tr>
<tr>
<td><strong>Tax Assistance Program (TAP)</strong></td>
<td>Cancellation of the municipal property tax increase and education property tax</td>
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<tr>
<td></td>
<td>increase for up to 3 years.</td>
</tr>
<tr>
<td></td>
<td>Cancellation of part or all of the education property taxes is subject to approval</td>
</tr>
<tr>
<td></td>
<td>by the Minister of Finance.</td>
</tr>
<tr>
<td><strong>Tax Increment Grant (TIG) Program</strong></td>
<td>Annual grant equal to between 60% and 100% of the municipal property tax increase</td>
</tr>
<tr>
<td></td>
<td>generated by the project for up to 12 years after project completion.</td>
</tr>
<tr>
<td></td>
<td>The percentage and duration of the annual grant payments is dependent on the</td>
</tr>
<tr>
<td></td>
<td>location of the project and whether or not the project achieves environmental</td>
</tr>
<tr>
<td></td>
<td>sustainability, exemplary building and site design, heritage restoration, inclusion</td>
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<tr>
<td></td>
<td>of affordable housing.</td>
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**Environmental Study Grant (ESG) Program**

The purpose of the ESG Program is to promote the undertaking of environmental studies such as Phase I and II Environmental Site Assessments (ESAs) so that more and better information is available with respect to the type of contamination and potential remediation costs on brownfield properties. This program would offer a grant equal to 50% of the cost of eligible environmental studies to a maximum:

a) grant of $3,000 for a Phase I ESA;
b) grant of $20,000 for any other eligible environmental study;
of two (2) studies per project and $30,000 per project.

**Tax Assistance Program (TAP)**

The purpose of the TAP is to encourage the remediation and rehabilitation of brownfield sites by freezing municipal and education property taxes for 3 years on a property that is undergoing or has undergone remediation and redevelopment to assist with payment of the cost of environmental remediation. Eligible costs include the costs of environmental studies not disbursed by the ESG Program, environmental remediation, controls/works, and environmental insurance premiums.

**Tax Increment Grant (TIG) Program**

The purpose of the TIG Program is to encourage the remediation, adaptive re-use, expansion of existing buildings, and the redevelopment of brownfield sites by providing grants help pay for site assessment and remediation costs, and other costs associated with brownfield redevelopment such as building rehabilitation, retrofit and demolition. Eligible costs include the costs disbursed by the ESG and Tax Assistance Programs, plus the costs of: building demolition, rehabilitation, retrofitting, and LEED certification and material/construction costs.

The TIG Program would provide an annual grant equal to between 60% and 100% of the municipal property tax increase paid to an approved applicant for a maximum of between 8 to 12 years or the point where eligible costs repaid, whichever comes first. This grant operates as a rebate of part or all of the municipal property tax increase generated by the brownfield redevelopment project. In order to ensure that the TIG Program reflects the priority areas and secondary goals of the CIP, the TIG % and duration depends on location of the brownfield redevelopment project and various project performance factors as shown in the table below.

### TIG Program Details

<table>
<thead>
<tr>
<th>Priority Area</th>
<th>Base TIG for Qualifying Project</th>
<th>Plus the Project</th>
<th>Achieves Minimum Employment Density</th>
<th>Achieves LEED certification or other environmental sustainability standard recognized by Town</th>
<th>Achieves exemplary building/site design &amp; construction or restores designated heritage building</th>
<th>Includes minimum 20% residential units that are affordable</th>
<th>Maximum Duration of TIG Payment</th>
</tr>
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<tbody>
<tr>
<td>1 Employment Areas</td>
<td>80%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>12 years</td>
</tr>
<tr>
<td>2 Growth Areas</td>
<td>70%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>10 years</td>
</tr>
<tr>
<td>3 Other Areas</td>
<td>60%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>8 years</td>
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### Next Steps

The next step in the process is the preparation of a Draft CIP that includes detailed incentive programs. The Draft CIP will then be circulated to the Ministry of Municipal Affairs and other prescribed agencies for comment. A formal statutory public meeting to be held under the Planning Act will be advertised and the Final Draft CIP will be made available for viewing to key stakeholders and the public prior to the Public Meeting. The Final CIP will then be presented for consideration to Council at the Statutory Public Meeting.
1.0 INTRODUCTION

1.1 What are Brownfields?
Brownfields are abandoned, idled or underutilized properties where past actions have caused known or suspected environmental contamination, but where there is an active potential for redevelopment. Brownfields are often also characterized by building deterioration/obsolescence, and/or inadequate infrastructure. Brownfields can include many uses such as old landfills, petroleum storage, industrial manufacturing uses and warehouses to dry cleaners, former gasoline stations, and even institutional uses such as schools and hospitals. Most brownfields are located in urban areas and many are located in key areas such as in downtowns, major growth centres, or employment areas. The terms “brownfield redevelopment” and “brownfield development” are used interchangeably in this document to mean the environmental remediation/risk management and adaptive reuse or redevelopment of brownfields.

1.2 Benefits of Brownfield Redevelopment
Brownfields can have real and significant negative environmental, economic and social impacts in a municipality. Therefore, the remediation and redevelopment of brownfield sites can remove these impacts and provide significant environmental, economic and social benefits as described below.

1.2.1 Environmental Benefits
From an environmental perspective, the contamination of soil and groundwater caused by brownfield sites may be a concern for human health and safety, as well as environmental quality and health. The environmental restoration and development of brownfield sites serves to improve the environmental quality of soil and groundwater in a community, which in turn can improve human health. 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.

Underused brownfield sites in the serviced urban area represent a lost opportunity to limit greenfield development at the urban area boundary. Studies have shown that the redevelopment of brownfields can decrease the demand for greenfield development, which in turn reduces the potential environmental impacts associated with greenfield development, such as air and water pollution and the loss of agricultural land. One particular U.S. study found that every acre of brownfield land developed would have required 4.5 acres of greenfield land. By using existing infrastructure, brownfield development can also reduce the costs of greenfield development; including the costs of providing hard and soft services to newer areas.

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

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1 Deason et. al. 2001.
1.2.2 Economic Benefits

From an economic perspective, the existence of brownfields 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.

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. Numerous other Canadian and U.S. studies have found that brownfield development can increase neighbourhood property values. Experience in Hamilton and other municipalities that have had brownfield development programs in place for some time suggests that brownfield development projects can result in a significant increase in property tax revenues to local and provincial governments. As well, the redevelopment of brownfield sites for employment, commercial and residential uses represents an excellent economic opportunity for a municipality to increase the property tax revenues generated by these properties without incurring the significant public infrastructure costs typically associated with greenfield development.

1.2.3 Social Benefits

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. 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. 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.

1.3 Approach to Brownfields in Oakville

While it is true that there are likely fewer brownfields in Oakville than in other municipalities in Ontario that have a longer history of industrial manufacturing, there are still no doubt many brownfield sites in Oakville due to the existence of previous land uses such as manufacturing, gasoline stations, petroleum storage, asphalt plants, printers, drycleaners, textile mills, blacksmiths, automobile wrecking yards, and other uses that potentially contaminated soil and groundwater. A review of known and potentially contaminated sites in Oakville identified approximately two dozen brownfield sites totaling approximately 500 acres. There is potential for other unknown brownfield sites, particularly in industrial areas such as Speers Road and Wyecroft Road, Midtown Oakville, and other sites throughout the town.

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3 Regional Analytics. 2002.
4 See for example, Environment Canada. 1998.
As noted above, brownfield sites in Oakville have a negative impact on the environment, economy, and community. Existing brownfields represent a less than optimal use of existing infrastructure for the Town and Regional Municipality of Halton. Furthermore, brownfields can negatively impact the Town's ability to meet Provincially mandated intensification/growth targets, attract employment, and increase assessment and property tax revenues.

It is notable that other municipalities in Ontario that one might also consider as not having a widespread brownfield problem, such as Ottawa, Norfolk County, Stratford, and Parry Sound, have seen fit to prepare and adopt a brownfield CIP for their entire municipality. Several other municipalities one would not normally associate with brownfields have prepared and adopted area specific CIPs or comprehensive CIPs that include brownfield redevelopment incentive programs. These include Brampton, Grimsby, Halton Hills, Brockville, Cobourg, Trent Hills, Goderich, London and Owen Sound.

This raises the question: what is the Town’s approach to addressing brownfields and promoting brownfield redevelopment in Oakville? The Town is undertaking a comprehensive and coordinated cross-departmental systems approach to addressing public and private brownfields in Oakville. This is known as the Comprehensive Brownfield Management Project (CBMP) and is broken into the following three phases:

Phase 1 – address the Public Sector Accounting Board (PSAB) 3260 requirements for public lands;
Phase 2 – evaluate departments' activities related to contaminated site management of both public and private side lands; and,
Phase 3 – develop an approach to support the assessment, remediation and redevelopment of privately owned contaminated sites (this Brownfield Strategy and the Brownfield CIP).

Additional detail regarding all three phases in the CBMP is provided in Appendix A.

Phases 1 and 2 are being led by the Environmental Policy Department. Phase 3 is being led by the Economic Development Department and supported by an inter-departmental project steering committee (PSC). As part of Phase 3, an application for matching study funding from the Federation of Canadian Municipalities (FCM) Green Municipal Fund (GMF) was submitted in May 2016 and approved at the end of 2016. The CBMP, including the preparation of this Brownfield Strategy and the CIP follows FCM’s Leadership in Brownfield Redevelopment Program (LiBRe) best practices framework.

1.4 Purpose

Brownfield sites in Oakville are impacting the Town's ability to increase employment, its property tax assessment base, and its ability to meet intensification and growth targets specified in Provincial, Regional and Town planning policies. Combined with the Town’s adoption of Vision 2057, this prompted the Town to prepare this Brownfield Strategy and the accompanying CIP as part of its Comprehensive Brownfield Management Project (CBMP).

The purpose of this Brownfield Strategy (“the Strategy”) is to outline a series of general actions and programs to promote private sector brownfield redevelopment in the Town of Oakville. This Strategy will act as the basis for the more detailed CIP. This Strategy was developed based on a thorough review of background policies, best practices used in other municipalities, and input obtained from the PSC, a meeting with Executive Management Team (EMT), two sessions with key local brownfield stakeholders, and a public meeting.
Based on a critical needs analysis of brownfield community improvement needs in Oakville, this Strategy outlines the key goals and targets for brownfield redevelopment in Oakville. The Strategy also contains a recommended Community Improvement Project Area (CIPA), preliminary incentive programs and municipal leadership actions designed to promote brownfield redevelopment in Oakville. The Strategy also contains two brownfield redevelopment case studies that demonstrate how the proposed incentive programs can financially assist brownfield redevelopment projects.

1.5 Methodology

The first step in the preparation of this Strategy was to conduct a multi-faceted review of key Town, Region of Halton and Provincial policies that provide direction on brownfields and brownfield redevelopment in Oakville. This included a review of:

i) Provincial policies including the PPS and Places to Grow Growth Plan, with particular emphasis on policies related to promoting brownfield redevelopment and its role in promoting intensification;

ii) Region of Halton policies including the ROP and Regional Guidelines for Participation in Local Municipal CIPs and Programs; and,


This was followed by a review of best practices being used in several other Ontario and Canadian municipalities with long-standing successful brownfield redevelopment programs. This was augmented by a review of best practices in municipalities that have performance based employment area incentive programs and municipalities that have incorporated sustainability criteria into CIPs that promote mixed use and intensification.

Next, an analysis of critical brownfield community improvement needs in Oakville was conducted. This included a review of information and data on potential brownfields in Oakville and a tour of brownfield sites and areas by staff and the consultant.

In order to further identify and verify key brownfield community improvement needs in Oakville, a Stakeholder Workshop was held with key brownfield redevelopment stakeholders (developers, brownfield property owners, real estate professionals, and planning and environmental consultants) on February 24, 2017. The purpose of this first workshop was to obtain input from key stakeholders on the critical needs and goals for brownfield redevelopment in Oakville and the types of incentive programs and other municipal actions that would work best to address these needs and goals. A total of 20 people attended the workshop including several senior Town and Regional staff. After a presentation by the consultant, a facilitator led attendees through a series of questions regarding the key needs for brownfield redevelopment, types of programs required to address these needs, and other municipal actions that would help facilitate brownfield redevelopment in Oakville. Each workshop group took notes and the responses were then reported back to those in attendance by a spokesperson for each group.

Based on the input received at the first workshop, the community improvement needs for brownfields in Oakville were finalized and preliminary incentive program concepts and municipal actions were developed for consideration. The preliminary incentive programs and municipal actions were then presented at a second Stakeholder Workshop held on July 24, 2017. The preliminary programs were well received by those in attendance. Again a facilitated discussion was held and provided input used to refine the preliminary
A Public Meeting was also held on July 24, 2017. Throughout preparation of this Strategy, the PSC and senior Town staff in all departments met to provide input to the consultant.

A Draft Brownfield Strategy was prepared and presented to Planning and Development Council on September 11, 2017. Council endorsed the Brownfield Strategy and directed that the Strategy be used as the basis for preparation of a Community Improvement Plan and implementation (see Appendix B for the Staff Report to Planning and Development Council on the Brownfield Strategy).

### 1.6 Report Outline

Section 2.0 of this Strategy outlines the Town, Regional and Provincial policy framework used to guide preparation of this report.

Section 3.0 contains a summary of the best practices being used in several other Ontario and Canadian municipalities with long-standing successful brownfield redevelopment programs.

Section 4.0 presents the results of the community improvement needs analysis and the goals and targets for brownfield redevelopment in Oakville.

Section 5.0 presents the recommended community improvement project area for the CIP.

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

Section 7.0 contains the results of two case studies of brownfield redevelopment that utilize the preliminary incentive programs to demonstrate the potential impact of the CIP incentive programs on brownfield redevelopment in Oakville.

Finally, Section 8.0 discusses next steps, including preparation of the CIP.
2.0 BACKGROUND POLICY REVIEW

The complete review of Town, Regional and Provincial policies that impact brownfield redevelopment and helped guide preparation of this Strategy are contained in Appendix C. A summary of the key policies is provided below.

2.1 Provincial Policies

2.1.1 Provincial Policy Statement, 2014

The Provincial Policy Statement (the “PPS”) is issued under Section 3 of the Planning Act and provides direction on matters of provincial significance related to land use planning and development. Section 3 of the Planning Act requires that decisions affecting planning matters shall be consistent with policy statements issued under the Act.

Several sections of the PPS directly or indirectly support brownfield redevelopment and its contribution to intensification and redevelopment. For example, Section 1.1.3 of the PPS directs that Planning authorities identify appropriate locations and promote opportunities for intensification and redevelopment, including brownfield sites. The PPS also notes that economic prosperity should be supported by promoting economic development and competitiveness by promoting the redevelopment of brownfield sites (Section 1.7.1 e).

The PPS also stresses that development, including of course brownfield redevelopment, should:

- be compact, well designed, and environmentally sensitive;
- accommodate an appropriate range and mix of residential types and densities, and employment, institutional, recreation, park and open space uses; and,
- support active transportation and transit in areas where it exists or is to be developed.

2.1.2 Growth Plan for the Greater Golden Horseshoe

The 2017 Growth Plan for the Greater Golden Horseshoe (“Growth Plan”) came into effect on July 1, 2017 and replaces the 2006 Growth Plan for the Greater Golden Horseshoe (GGH). The Growth Plan is the Province of Ontario’s growth strategy for the GGH region, which includes the Town of Oakville and the Regional Municipality of Halton. The Growth Plan provides an overall growth strategy for the region to 2041 that is implemented primarily by municipal planning documents, such as a CIP, and other municipal tools. The Growth Plan directs growth to settlement areas and prioritizes intensification with a focus on strategic growth areas, including urban growth centres and major transit station areas, as well as brownfield sites and greyfields.

The Town of Oakville’s Urban Area within the Delineated Built-Up Area and brownfield sites within the Delineated Built-Up Area are considered Strategic Growth Areas in the Growth Plan. Midtown Oakville is identified in the Growth Plan as an Urban Growth Centre. Midtown Oakville is to be planned to achieve, by 2031 or earlier, a minimum gross density of 200 residents and jobs combined per hectare.

A number of the policies in the Growth Plan provide direction for this Brownfield Strategy and the CIP. More precisely, the Growth Plan seeks to build vibrant and complete communities that:

- Feature a diverse mix of land uses, including residential and employment uses;
- Prioritize intensification and higher densities to make efficient use of land and infrastructure;
• Provide a diverse range and mix of housing options, including affordable housing to serve all sizes, incomes, and ages of households;
• Ensure the development of high quality compact urban form;
• Integrate green infrastructure and low impact development;
• Support a strong and competitive economy; and,
• Optimizes the use of new and existing infrastructure.

Section 2.2.5.5 of the Growth Plan also specifies that upper and single-tier municipalities, in consultation with lower-tier municipalities, the Province, and other appropriate stakeholders, will each develop an employment strategy that establishes a minimum density target for all employment areas and identifies opportunities for the intensification of employment areas.

2.2  Regional Municipality of Halton Policies

2.2.1  Regional Official Plan (ROP)
The Regional Official Plan (ROP) is the Regional Municipality of Halton’s guiding document for land use planning. It contains the goals, objectives, and policies that manage growth and direct physical change. Section 72(8) of the ROP includes an objective for the Urban Area to promote the adaptive re-use of brownfield and greyfield sites. Section 85(13) includes an objective for housing to promote residential intensification through the development or redevelopment of brownfield and greyfield sites. Section 253.1(1) of the ROP specifically identifies brownfields as sites or areas with the potential to develop or redevelop at higher density than currently exist. The ROP policies consider intensification and the development of intensification areas as the higher priority of development within Halton and includes policies that support employment intensification.

The ROP directly identifies the use of Local Municipal CIPs to implement specific policies, including:

• Promoting and supporting intensification and development of Intensification Areas as the highest priority of urban development within the Region (Section 81(7.2));
• Promoting residential intensification, including the provision of assisted, affordable and special needs housing components through the redevelopment of brownfield and greyfield sites outside employment areas (Section 86(13.1)); and,
• Providing Assisted, Affordable and Special Needs Housing (Section 86(15)).

Sections 205.3 to 205.6 contain the Region’s Community Improvement Plan policies. These policies specify that the Region may participate in a Local Municipality’s CIP and make loans and grants to that Local Municipality in support of its Plan, and that Regional Council, in consultation with the affected Local Councils, will use CIPs at the appropriate time and circumstances to implement policies of the ROP.

2.2.2  Regional Guidelines for Regional Participation in Local Municipal CIPs and Programs
The Regional Municipality of Halton has prepared a set of guidelines to aid in implementation of the ROP. One of these guidelines is the Regional Program for Community Improvement Plans (CIPs) Guidelines which was approved by the Region in September of 2016. These Guidelines assist Regional Council and staff in identifying those Local CIPs and programs that the Region may wish to participate in to implement certain Regional Official Plan (ROP) policies. The Guidelines also identify a process for the four Local Municipalities in Halton to follow when requesting Regional participation in their CIPs and CIP programs.
The following relevant ROP policies have been identified as policies that could be implemented through CIPs:
- promoting and supporting intensification and intensification area development;
- promoting residential intensification on brownfields and greyfields;
- encouraging and creating assisted, affordable and special needs housing;
- promoting and supporting agriculture;
- protecting and preserving cultural heritage resources; and,
- promoting employment area intensification on brownfields and greyfields.

Regional participation in Local Municipal CIP programs will be based on demonstration that the applicable Local Municipal CIP program will aid in implementing one or more of the above-noted ROP policies. Any financial grant made by Halton Region to an individual Local Municipal CIP program application must be matched by the Local Municipality. Also, any financial grant made by Halton Region to an individual Local Municipal CIP program application is currently capped at a maximum of $50,000, and currently a total of $75,000 is budgeted annually by the Region of Halton to support the provision of Regional grants to Local Municipalities to support individual applications to their CIP programs.

2.3 Town of Oakville Policies

2.3.1 Vision 2057

In October of 2011, the Town of Oakville launched Vision 2057, an overarching sustainable community framework that the Town has adopted to guide its comprehensive master planning. As shown in Figure 1 below, three major plans (Community Sustainability Plan, Official Plan, and Strategic Plan,) form the basis of this framework. Other key plans, strategies and projects, including this Strategy and the CIP which is a component of the CBMP, flow directly from, and are designed to implement, the directions contained in Vision 2057.

2.3.2 Let’s Be Livable Community Sustainability Plan

The Community Sustainability Plan (CSP) integrates the four pillars of sustainability – environmental, social, economic and cultural, and defines how the community will achieve sustainability and strengthen community resiliency. Key directions in the CSP include the improvement of land, water and air quality; reduction of waste, energy consumption and greenhouse gas emissions (GHGe); promotion of active transportation; and enhancement of the local economy. All of these directions reinforce the need for a Brownfield Strategy and CIP.
2.3.3 Livable Oakville Official Plan

Oakville’s Official Plan is comprised of the Livable Oakville Plan and the North Oakville East and West Secondary Plans. The Livable Oakville Plan applies to the lands south of Dundas Street and north of Highway 407, while the North Oakville East and West Secondary Plans (see Section 2.3.4 below) apply to the lands north of Dundas Street and south of Highway 407.

The Livable Oakville Plan was adopted by the Council of the Corporation of the Town of Oakville on June 22, 2009 through By-law 2009-112 and approved by the Regional Municipality of Halton on November 30, 2009. Livable Oakville was deemed to conform to the Growth Plan, 2006, and the Region’s Official Plan, as amended, and to be consistent with the PPS, 2005. Livable Oakville guides land use policy and community improvement planning and directs future growth in Oakville. Numerous policies in Livable Oakville directly or indirectly support brownfield redevelopment, intensification in Midtown Oakville, and the goals of this CIP. These policies are summarized below.

2.3.3.1 Mission Statement

The mission statement in Section 2 Livable Oakville is “to enhance the Town’s natural, cultural, social and economic environments by ensuring that environmental sustainability, cultural vibrancy, economic prosperity and social well-being are incorporated into growth and development decisions.”
2.3.3.2 Guiding Principles

Section 2.2.1 of the Livable Oakville stresses that the Town preserve and create a livable community with the majority of growth directed to appropriate locations where higher density, transit and pedestrian oriented development can be accommodated, and achievement of long-term economic security with a diverse range of employment opportunities for residents. Section 2.2.3 of Livable Oakville stresses the achievement of sustainability, both in terms of reducing the environmental impact of development and achieving sustainable building and community design.

2.3.3.3 Managing Growth and Change

The policies of Livable Oakville naturally reflect those of the PPS and Growth Plan which provide for a significant shift to a more compact urban form and intensification within the built-up area.

Section 4.1 of Livable Oakville directs that the majority of intensification in the Town is to occur within the Growth Areas, including Midtown Oakville.

Section 4.2 of Livable Oakville notes that Midtown Oakville is an urban growth centre identified in the Growth Plan. Therefore, the greatest levels of height and density in Oakville are planned for Midtown Oakville. Midtown Oakville is planned to achieve a minimum gross density of 200 jobs and residents combined per hectare by 2031, in accordance with the Growth Plan. Reductions in minimum heights or densities within Midtown Oakville will not be permitted.

While Section 4.3 of Livable Oakville notes that the key focus for development and redevelopment to accommodate intensification will be in Growth Areas, intensification outside of Growth Areas will be considered in the context of Livable Oakville. This includes additional intensification opportunities such as infill, redevelopment and greyfield and brownfield sites.

2.3.3.4 Urban Design

The urban design policies in Section 6 promote a high standard of urban and architectural quality to provide an innovative and diverse urban form that promotes a sustainable, dynamic and livable environment.

2.3.3.5 Sustainability

Section 10 of Livable Oakville contains the Town’s objectives and policies on achieving sustainable and centers on minimizing the environmental impact of development to achieve sustainable building and community design.

Section 10.2 promotes climate change programs that mitigate and adapt to impacts. Examples are: initiatives to reduce GHGe through development that promotes increased transit usage and active transportation modes and encouraging energy efficient and green buildings. Section 10.4 notes that the Town will promote energy conservation by encouraging development that is compact, mixed use, designed to promote energy conservation, promotes transit and active transportation and uses appropriately selected and located vegetation to reduce the energy consumption of buildings. Section 10.5 encourages proposals for alternate energy systems and renewable energy systems at appropriate scale.

Section 10.6 notes that the Town will encourage innovative programs and construction methods which support the sustainable development and redevelopment of buildings. Sustainable features sought by the Town may include, but are not limited to:
a) renewable energy systems such as wind, geothermal and solar power installations;
b) energy-efficiency technologies that are consistent with high energy efficiency standards (such as Energy Star and LEED buildings), design features and construction practices;
c) green roofs or high albedo roofs that contribute to the reduction of the urban heat island effect;
d) permeable paving and other innovative stormwater management methods;
e) water conservation and efficiency measures; and,
f) conserving heritage resources, which contributes to sustainability by reducing landfilling and lessening the demand for energy and resources needed for new construction.

Finally, Section 10.7 of Livable Oakville notes that where the redevelopment of large greyfield or brownfield sites for residential land uses is proposed, the intensification policies provided in section 11.1.9 shall apply. Such redevelopment shall also be planned in a comprehensive manner.

2.3.3.6 Midtown Oakville

Section 20 of Livable Oakville contains policies on Midtown Oakville. Midtown Oakville is one of 25 areas identified as an urban growth centre in the Province’s Growth Plan. The Midtown Oakville urban growth centre is approximately 100 hectares in size and bounded by the QEW to the north, Chartwell Road to the east, Cornwall Road to the south and the Sixteen Mile Creek valley to the west. Key objectives for Midtown Oakville in Section 20.2 of Livable Oakville include:

a) promoting a compact urban form with higher density and higher intensity land uses;
b) ensuring high quality urban design that complements and contributes to the vitality of both Midtown Oakville and the Town; and,
c) promoting sustainable building practices.

The growth targets for Midtown Oakville are specified in Section 20.4.3 of Livable Oakville. Midtown Oakville shall provide for a minimum gross density of 200 residents and jobs combined per hectare by 2031 in accordance with the Growth Plan. This translates to approximately 5,900 residential units and 186,000 – 279,000 square metres of commercial and employment space to accommodate an estimated 12,000 residents and 8,000 jobs by 2031. Reductions in minimum heights or densities within Midtown Oakville will not be permitted.

2.3.3.7 Community Improvement Policies

Section 28.14 of Livable Oakville contains the Town’s community improvement policies that apply to lands south of Dundas Street. These Community Improvement policies are attached at the end of Appendix C as C1. Section 28.14.2 sets out the criteria for designating a community improvement project area. The areas identified and prioritized in the recommended Community Improvement Project Area shown in Section 5.0 of this report meet several of these criteria including building and structures in need of maintenance and repair, opportunities for infilling and development of under-utilized sites, existing or probable soil or water contamination, and in the case of Midtown, deficiencies in the physical infrastructure. Section 28.14.3 notes that a community improvement plan may be prepared, adopted and implemented to guide a number of actions on the part of the Town, including the provision of grants, loans or tax assistance for community improvement activities such as the cost of rehabilitating lands and buildings.
The 2006 Oakville Official Plan was first adopted by Council on July 5, 1983 by By-law 1983-114 and was subsequently approved by the Minister of Municipal Affairs and Housing. It was amended many times to reflect new development or land-use changes. The consolidated version of the Official Plan incorporates all amendments and modifications approved by the Minister up to September 20, 2006.

Part C, Section 13 of the 2006 Oakville Official Plan contains the Town’s community improvement policies that apply to lands north of Dundas Street and south of Highway 407 between Ninth Line in the east and Tremaine Road in the west. These policies are attached at the end of Appendix C as C2. Section 13.2 sets out the criteria for consideration when selecting potential areas for community improvement. The North Oakville area meets the criteria for community improvement under Section 13.2.f., including problems with inappropriate land uses, inadequate building maintenance, or lack of development on vacant or under-utilized land. Part B, Section 13 includes the goals and objectives regarding community improvement. This includes improving the property and business tax base in commercial areas by upgrading the urban infrastructure and stimulating private investment.

2.3.4 North Oakville East and West Secondary Plans

The North Oakville East Secondary Plan and the North Oakville West Secondary Plan, known collectively as the “North Oakville Plans” provide a planning framework for the lands north of Dundas Street and south of Highway 407 between Ninth Line in the east and Tremaine Road in the west. The North Oakville Plans are not technically part of Livable Oakville, but endure as amendments to the Town’s 2006 Official Plan.

In May 2017, the North Oakville Secondary Plans Review (NOSPR) was initiated. This study is a component of the town’s ongoing Official Plan Review and it is a major component of the NOSPR to bring the North Oakville Plans into Livable Oakville so that the Town has one Official Plan document.

A number of the policies in the 2006 Oakville Official Plan and the North Oakville Plans directly or indirectly support brownfield redevelopment and the goals of this CIP. These policies are summarized below.

2.3.4.1 Community Vision

The North Oakville Plans are founded on a vision for a compact, pedestrian-oriented, urban community. The North Oakville community will also be forward-looking and a model of smart growth and social diversity.

2.3.4.2 General Development Objectives

Section 7.2.3 of the North Oakville East Secondary Plan and Section 8.2.3 of the North Oakville West Secondary Plan outline General Development Objectives to guide future urban development. These development objectives include:

- incorporating measures to achieve the goals of environmental protection and enhancement including energy conservation, greenhouse gas reduction, and increased utilization of public transit;
- establishing overall development densities that equal or exceed the density established by the Halton Urban Structure Plan;
- creating employment districts which provide for a range of employment opportunities;
- planning for and promoting higher order employment densities at appropriate locations that maximize employment opportunities, particularly where higher order/frequent transit service is planned; and,
- minimizing travel time, traffic, greenhouse gases, servicing costs and energy costs through a variety of mechanisms.
2.3.4.3 Nodes and Corridors

Nodes and Corridors are identified in the North Oakville Plans as the Health Oriented Mixed Use Node as well as urban core areas and include Trafalgar Urban Core Area, Dundas Urban Core Area and Neyagawa Urban Core Area.

2.3.4.4 Employment Targets

Section 7.3.7 of the North Oakville East Secondary Plan and Section 8.3.4 of the North Oakville West Secondary Plan outline employment targets for North Oakville. The North Oakville Plans were designed to:

a) Achieve a balance both in type and quantity between local employment opportunities and the resident labour force;

b) Actively encourage a diversification of employment opportunities in Oakville; and,

c) Encourage the growth of industrial commercial assessment.

The target for North Oakville East is approximately 300 net hectares of employment land and 16,500 jobs at capacity, reflecting a target of an average of 55 employees per net hectare. In addition, it is anticipated that there will be approximately 8,500 population related employees for a total target of 25,000 jobs at capacity. The target for North Oakville West is approximately 250 net hectares of employment land and 10,000 jobs at capacity, reflecting an average of 55 employees per net hectare.

2.3.5 Town of Oakville Strategic Plan

The Town of Oakville’s 2015–2018 Strategic Plan outlines the goals, actions and measures that will help Council achieve its vision. The vision for Oakville is to be the most livable town in Canada. Relevant areas of focus outlined in the Strategic Plan include environmental leadership, economic growth, and fiscal sustainability. One of the key actions for 2016-2018 identified in the Strategic Plan is the development of a Brownfields Strategy for corporate and private lands to enhance and promote economic sustainability.

2.3.6 Environmental Strategic Plan – 2011 Update

The 2011 Plan Environmental Strategic Plan (ESP) updates the Towns 2005 ESP. The 2011 ESP is largely aimed at the Town’s own activities, but a number of the ESP goals and objectives support this Strategy and the CIP, including:

- Sustaining and enhancing the natural environment;
- Reducing resource consumption and waste production;
- Creating and supporting a healthy and resilient community; and,
- Applying innovative best environmental management practices.

One of the key objectives of the ESP is to foster an environmentally sustainable urban form. As part of the CBMP, one of the actions the Town will be undertaking to help accomplish this objectives is to inventory and analyze underutilized brownfield and greyfield sites in Oakville and research ways to make these properties more marketable. The ESP also recommends investigation of municipally-supported financial incentives for green development and building practices, reduced water and energy consumption, GHGe, and active transportation. The preparation of this Strategy has helped to achieve this objective.
2.3.7 Midtown Strategy

The Midtown Strategy envisions Midtown Oakville as a complete urban community and targets 12,000 people and 8,000 jobs by 2031. This will require increased development densities in Midtown and the Growth Plan specifies that the Midtown Oakville urban growth centre be planned to achieve, by 2031 or earlier, a minimum gross density of 200 residents and jobs combined per hectare.

The Midtown Strategy consists of three major studies: the Midtown Oakville Class Environmental Assessment, Midtown Oakville Parking Strategy, and of most relevance to this Strategy, the Designing Midtown Oakville Study prepared in 2013 to 2014. Additional implementation tools, such as the Brownfields CIP, will also be used to help implement the Midtown Strategy. In support of the Midtown Strategy, the Town of Oakville prepared a Draft Official Plan Amendment (OPA) and Draft Zoning By-law for Midtown Oakville. The Draft OPA identifies the Brownfield CIP as a key implementation tool to generate the required density of development.

2.3.8 Economic Development Strategy

The 2009-2019 Economic Development Strategy (EDS) outlines how economic development can contribute to the Town’s vision to be the most livable town in Canada. The EDS notes that Oakville should make optimal use of its remaining employment lands. This Brownfield Strategy and the CIP will help to achieve that objective. The Brownfield CIP will help to promote the expansion and redevelopment of brownfield employment lands for new employment uses.

2.3.9 Climate Change Adaptation Strategy

In 2006, the Town of Oakville participated in the Joint Local Governments for Sustainability (ICIEL)/Federation of Canadian Municipalities (FCM)’s Partners for Climate Protection (PCP) program to develop and implement the town’s GHGe reduction strategy. The town has successfully completed Milestone one to Five of the PCP Program and recently adopted the new PCP GHGe targets matching those of global leaders. For climate change adaption, the town was also one of the first 12 signatory municipalities working with ICIEL’s Building Adaptive & Resilient Communities (BARC) program. The town has also achieved Milestone 5 of the program. In 2014, the town developed a Climate Change Strategy and is into its fourth year of implementation.

2.3.10 Comprehensive Brownfield Management Project (CBMP)

The Town recognizes that many departments are involved with brownfields through processes such as contaminated site/historical land use inventories, managing publicly owned brownfields (including risk assessment/management and liability mitigation), environmental plan review for development on privately owned brownfields, public land assumptions, property tax arrears on vacant and underutilized brownfield sites, public vesting, and cross property contamination issues. Only a comprehensive, coordinated and cross-departmental systems approach can fully address both public and private contaminated sites to promote sustainable brownfield redevelopment. That is why the Town has launched a Comprehensive Brownfield Management Project (CBMP).

As shown in Figure 1, the CBMP comprises three distinct phases. Phase 1 addresses the Public Sector Accounting Board (PSAB) 3260 requirements for public lands. Section PS 3260 establishes standards on how to account for and report a liability associated with the remediation of a contaminated site and applies to
all governments and government organizations following Public Sector Accounting Standards (PSAS). Phase 1 will improve contaminated site tracking of town lands.

Phase 2 will evaluate Town departments’ activities related to contaminated site management of both public and private side lands. This includes strategies to address Town owned contaminated sites and the Town review of development applications. Work on these two phases is currently well underway.

Phase 3 of the CBMP, which is this Brownfield Strategy and the CIP, is aimed squarely at promoting the redevelopment of privately held brownfield lands.
3.0 BEST PRACTICES REVIEW

3.1 Introduction

In order to help inform the development and consideration of incentive programs to help the Town of Oakville promote the redevelopment of privately owned brownfield sites, a scoped best practices review of incentive programs used by other municipalities in Ontario was conducted. Due to the variable brownfield redevelopment needs in Oakville from high density residential development in Midtown to existing industrial employment areas along Speers Road and Wyecroft Road, this scoped best practices review focused on three types of incentive programs.

First, brownfield redevelopment incentive programs in a number of Ontario municipalities with well-established brownfield programs as well as Edmonton, AB. were selected and reviewed. Second, a few Ontario municipalities that have incentive programs designed to promote development and redevelopment of employment areas were reviewed. Some of these municipalities tie the availability and value of the incentive to economic performance of the participating project to help ensure that the project meets the municipality’s economic goals. Third, a few Ontario municipalities that have recently begun to offer incentive programs designed to promote sustainable residential intensification and mixed use development in certain areas of their municipality were also reviewed. These municipalities tie the availability and value of these incentives to sustainability project performance in terms of density, design, affordability and environmental sustainability of the projects in order to help ensure the projects meet the municipality’s environmental and community goals. The results of this three part best practices review is contained in Appendix D.

The best practices review was utilized to guide development of the incentive programs to be considered for inclusion in the Oakville Brownfield CIP. These incentive programs are described in Section 6.0 of this report. Of particular relevance to the incentive programs developed for inclusion in the Oakville Brownfield CIP are the results of the best practices review in regards to:

- Geographic Approach;
- Environmental Study Grant Programs;
- Tax Assistance Programs;
- Tax Increment Grant (TIG) Programs; and,
- Project Performance Criteria.

These best practices review results are highlighted below.

3.2 Geographic Approach

Ontario municipalities that have prepared and adopted community improvement plans for the promotion of brownfield redevelopment have done so both on an area specific and urban area wide basis. The choice of a community improvement project area depends on the location of brownfield sites in a municipality, which in turn depends in part on the historic industrialization and growth pattern of the municipality. While occurring more naturally in older industrial areas, brownfields can be found across most municipalities in the form of former uses such as gasoline stations, dry cleaners, printers, manufacturers, blacksmiths, textile mills, asphalt plants, petroleum storage and automobile wrecking yards.
A number of the municipalities in the best practices review have chosen to combine the urban area wide and area specific geographic approaches, i.e., a “hybrid approach”. These municipalities have done this by designating community improvement project areas for their Brownfield CIPs that are urban area wide, but have then identified “sub-areas” or “priority areas” within their larger community improvement project areas, e.g., targeted growth areas such as their downtowns or brownfield legacy sites/areas. The brownfield incentive programs in these municipalities have then been tailored to provide more generous incentives in these higher priority areas and/or accomplish specific planning and economic development goals in these areas. This hybrid approach was discussed and recommended in the “Approaches to Community Improvement Planning for Brownfield Redevelopment in Oakville (February 2014)”. In the case of Oakville, this would mean preparing a Brownfield CIP that contains programs to promote brownfield redevelopment town-wide, but that also includes policies and programs to promote development of the high priority growth areas such as Midtown in a manner that achieves the Town’s planning, design and sustainability goals for these key Growth Areas.

3.3 Environmental Study Grant Programs

All of the municipalities in the best practices review offer an environmental study grant program. These are also referred to as environmental site assessment (ESA) grant programs. These programs provide a matching grant that covers 50% of the cost of a Phase II Environmental Site Assessments (ESA), Risk Assessment and/or Risk Management Plan, and Remedial Work Plan (RWP). Some municipalities in Ontario also allow Designated Substance and Hazardous Materials Surveys as an eligible cost under their ESA Programs. Typically, the maximum 50% grant offered by Ontario municipalities is in the $12,000 to $20,000 range for a single environmental study, and $25,000 to $40,000 for two studies. Uptake of these environmental study grant programs in most municipalities has been very positive.

It is important from a municipal perspective to ensure that environmental study grants are provided to owners or purchasers of properties that will actually be cleaned up and redeveloped, and where there will be an increase in assessed value, and therefore property taxes. While inquiries regarding redevelopment plans should be made by the municipality in the application for an environmental study grant, and the veracity of the responses should be evaluated by municipal staff, the submission of detailed redevelopment plans as a required condition for environmental study grants is not recommended.

3.4 Tax Assistance Programs

All of the Ontario municipalities in the best practices review offer brownfields property tax assistance. Eligible costs include the costs of any action taken to reduce the concentration of contaminants on, in or under the property to permit an RSC to be filed. This includes the cost of environmental studies not covered by the environmental study grants, environmental remediation, site monitoring and risk management, filing of an RSC and/or Certificate of Property Use, and environmental insurance premiums. Most Ontario municipalities typically match the 3 years of property tax assistance provided by the Province, but some extend the municipal share of the property tax assistance to 5 years. Most Ontario municipalities that have a brownfields property tax assistance program just freeze property taxes on a brownfield site at the pre-development amount for the 3/5 years, and continue to collect the pre-development property taxes for this period. However, some municipalities actually cancel all property taxes for the 3 year period. While most brownfield sites do not generate substantial property taxes, this approach can be beneficial on large brownfield sites that have existing buildings where existing property taxes are a significant impediment to redevelopment.
3.5 Tax Increment Grant (TIG) Programs

Most of the municipalities in the best practices review comparison offer their annual TIG programs for up to 10 years, i.e., 10 annual grant payments or equivalent. A few offer their TIGs for less than 10 years, i.e., in the 5 to 6 year range. In terms of the level of the TIG, most of the municipalities use a constant percentage in the 70% to 80% range, rate rather than a sliding scale. It should also be noted that some municipalities offer a longer TIG in higher priority areas such as their downtown or designated growth areas.

In terms of eligible brownfield costs permitted under the TIG programs, virtually all of the municipalities include the full costs of: environmental studies not covered by environmental study grants, remediation, including costs to excavate, haul and dispose of contaminated soils, or in-situ or ex-situ treatment of contaminated soils, groundwater treatment, the supply, grading and compaction of clean fill to replace contaminated soils removed from the site, site monitoring and management measures, and environmental insurance. Some of the municipalities also include part or all of the non-environmental costs that can be typically associated with the redevelopment of brownfield sites. This includes the cost of building rehabilitation, building demolition, and the cost of upgrading or replacing on-site and off-site public infrastructure. A number of municipalities have also introduced LEED certification and increase material/construction costs required to achieve LEED certification as TIG eligible costs.

Based on the comparison of municipal programs, for a brownfields TIG to be effective, it should be offered for a longer period of time, say 10 years or more, and should be calculated using a significant constant percentage of the TI generated by the project, e.g., 70% to 100%. Also, in two-tier municipalities, it is critical that the upper tier municipality also participate in the TIG. Without the upper tier contribution to a brownfield TIG, it is unlikely that such a TIG will be attractive enough to induce brownfield redevelopment projects.

3.6 Performance Criteria

A number of municipalities in Ontario have adopted CIPs that tie the availability, value and duration of incentive programs to the economic performance and/or the density, design, affordability and environmental sustainability performance of projects in order to help ensure that all projects receiving municipal incentive program funding meet the municipality’s environmental, economic and sustainability goals. Based on the policy direction for brownfield redevelopment in Oakville outlined in Section 2.0, these best practices are highly relevant.

A few municipalities in Ontario have seen fit to provide enhanced TIGs (increased percentage and/or duration) in priority employment areas. As well, some of these municipalities have tied the value of their employment area TIGs to economic performance (jobs and investment) and even environmental sustainability performance. Typically, in employment areas, the number of jobs created by a project carries significant weight in the performance criteria used to evaluate that project.

A number of Ontario municipalities have also taken a performance criteria approach to CIPs that promote intensification and mixed use development. These municipalities have tied the value and duration of TIG programs to criteria such as minimum residential and employment densities, and building design, housing affordability, heritage, and environmental sustainability criteria. These municipalities have typically provided the option for applicants to demonstrate as-built project performance through achievement of Leadership in Energy and Environmental Design (LEED) certification, adherence to an alternative sustainable design/construction standard, or incorporation of a minimum number of project components from a customized set of municipal performance criteria. This type of flexibility is advisable.
4.0 COMMUNITY IMPROVEMENT NEEDS AND GOALS

As described in Section 1.5, in addition to the background policy review and best practices review, an analysis of critical brownfield community improvement needs in Oakville was conducted to identify community improvement needs and goals. The community improvement needs analysis included a review of information and data on potential brownfields in Oakville and a tour of brownfield sites and areas by staff and the consultant. Furthermore, two workshops were held with key brownfield stakeholders and a public meeting was held. The PSC and senior Town staff in all departments also met during preparation of the Strategy to refine the community improvement needs and goals.

4.1 Community Improvement Needs

Based on the methodology described above the following key brownfield community improvement needs were identified:

- Financial assistance for environmental studies, remedial work plans, remediation and risk management measures is of primary importance – needs a partnership cost sharing approach from the municipality at various stages of the brownfield redevelopment process;
- Financial assistance for non-environmental costs associated with brownfield sites such as the costs if building demolition, building renovation/upgrading, and on-site infrastructure upgrading;
- Employment Areas are the highest priority for financial incentive programs, with Growth Areas second, and the rest of the urban area third;
- Financial assistance should be transferable to new owners;
- Flexibility on the RSC requirement as it relates to a requirement for the financial incentive programs, i.e., where the proposed development is not a change to a more sensitive use, the municipality should provide a peer review option to the RSC requirement;
- Process of applying for and receiving approval for the brownfield incentive programs should be simple and not time consuming, especially for environmental study grants;
- A “fast pass; or “express permit” where approval authority is delegated to staff for smaller incentive program applications such as environmental study grants and tax increment grants under a certain threshold;
- The bonusing provision in the Planning Act can be used to promote higher densities and the provision of public open space and other public amenities;
- Incentive programs should also promote employment growth, energy efficient and environmentally sustainable buildings, high quality building and site design and construction, and affordable housing; and,
- There should be an established and stable funding pool for the incentive programs.

4.2 Goals

The goals of this Brownfield Strategy were developed with input from the policy direction contained in key Town, Regional and Provincial policies, along with input from the key brownfield redevelopment stakeholders, senior Town staff and the PSC.

The main goal of this Strategy is to stimulate more remediation and renovation, expansion, adaptive re-use, and redevelopment on brownfield sites in the urban area of the Town of Oakville. The highest priority for achievement of this goal in Oakville are the Employment Areas (Priority Area 1), followed by the
Growth Areas (Priority Area 2), and then the Rest of the Urban Area (Priority Area 3) (see Figure 2, Section 5.0). This prioritization is also reflected in the structure of the main incentive program contained in Section 6.0 of this report, i.e., the Tax Increment Grant (TIG) Program.

Based on policy direction and input from key stakeholders, other key goals of this Brownfield Strategy include:

4.2.1 Economic

a) Retain and increase employment opportunities;
b) Increase tax assessment and property tax revenues;
c) Increase construction activity and building permits;
d) Make more efficient use of existing public infrastructure and services; and,
e) Improve the potential profitability of brownfield sites.

4.2.2 Environmental

a) Improve the quality and comprehensiveness of environmental studies done on potential brownfield sites;
b) Remediation of contaminated lands to improve land, water, air quality and wildlife habitat;
c) Ensure that remediated and risk assessed brownfield sites are environmentally suitable for the proposed use(s);
d) Reduce greenhouse gas emissions;
e) Reduce the environmental impact of brownfield redevelopment; and,
f) Promote the construction of energy, water and wastewater efficient sustainable buildings and community design.

4.2.3 Livability

a) Improve the physical and visual quality of brownfield sites;
b) Improve building and site design and construction quality;
c) Support intensification of growth areas for mixed use, compact, land efficient forms of development;
d) Preserve heritage buildings;
e) Increase the supply of affordable and accessible housing; and
f) Create more high quality public spaces.
5.0 RECOMMENDED COMMUNITY IMPROVEMENT PROJECT AREA

The prevailing trend in municipalities who have more recently prepared 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 historic industrialization pattern in Oakville and the tour conducted of the industrial areas (noting the nature of current industrial uses and the geographic extent of these uses), it is quite reasonable to expect that there is a higher concentration of brownfield sites in industrial areas such as Speers/Cornwall Road and Wyecroft Road. However, there are also known and suspected brownfield sites in several other areas of the municipality. Therefore, based on the location of potential brownfield sites in the Town of Oakville, a hybrid approach to designation of the community improvement project area for the Brownfield Redevelopment CIP is appropriate.

Therefore, it is recommended that the Community Improvement Project Area (CIPA) for the Brownfield CIP be designated as “all land within the urban area of the Town of Oakville, as amended from time to time”. This Project Area is designated by a by-law passed by Council and the CIP will apply to the designated Community Improvement Project Area.

Based on the analysis of community improvement needs, the CIPA has been divided into three sub-areas for the purpose of prioritizing the brownfields assistance programs that will be included in the CIP. These sub-areas are as follows:

Priority Area 1 = All Employment Areas;
Priority Area 2 = All Growth Areas; and,
Priority Area 3 = Rest of the Urban Area.

The boundary of the CIPA and the above-noted sub-areas at the time of preparation of this CIP is shown in Figure 2 below.
Figure 2  Recommended Community Improvement Project Area
6.0 INCENTIVE PROGRAMS

6.1 Approach

The incentive programs described below were developed using input from the best practices review, the key stakeholder workshop, and the PSC. The incentive programs are designed to enable and encourage private sector remediation and rehabilitation, adaptive reuse and construction activity on brownfield sites within the Community Improvement Project Area so that the goals of this CIP can be achieved over time. Section 6.5 contains utilization targets and sustainability targets for the performance of projects that will utilize the brownfield redevelopment incentive programs.

Once the CIP is adopted and approved, the incentive programs contained in the CIP can be activated by Council, one or more at a time, based on Council approval of the implementation of each program, subject to the availability of funding. The CIP is an enabling document, however, Council is under no obligation to activate and implement any of the incentive programs contained in this CIP. Once activated, the programs in this CIP can be used individually or together by an applicant. The Town may accept applications all year round for any of the incentive programs contained in the CIP, or the Town may periodically issue a Request for Applications (RFA) for any of the incentive programs contained in the CIP, e.g., once or twice per year, depending on budget considerations and program interest.

General requirements that apply to all the incentive programs contained in the CIP and program specific requirements will be developed and included in the CIP to help ensure that the goals contained in this Brownfield Strategy will be achieved via implementation of the incentive programs contained in the CIP, while protecting the financial interests of the Town.

Figure 3 below summarizes basic details for each of the incentive programs and the purpose and description of each of the programs is provided in Sections 6.2 to 6.4. The CIP will contain additional program details and requirements. Once the CIP has been approved, Council can set the maximum grant available for each program at or below the maximum specified for that program in the CIP, depending on budget considerations at the time.

Figure 3 Summary of Incentive Programs

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Program Description</th>
</tr>
</thead>
</table>
| Environmental Study Grant (ESG) Program | Grant equal to 50% of the cost of eligible environmental studies to a maximum:  
  a) grant of $3,000 for a Phase I ESA;  
  b) grant of $20,000 for any other eligible environmental study;  
  c) of two (2) studies per project and $30,000 per project. |
| Tax Assistance Program (TAP) | Cancellation of part or all of the municipal property taxes and education property taxes for up to 3 years.  
  Cancellation of education property taxes is subject to approval by the Minister of Finance. |
| Tax Increment Grant (TIG) Program | Annual grant equal to between 60% and 100% of the municipal property tax increase generated by the project for up to 12 years after project completion.  
  The percentage and duration of the annual grant payments is dependent on the location of the project and whether or not the project achieves environmental sustainability, exemplary building and site design, heritage restoration, inclusion of affordable housing. |
6.2 Environmental Study Grant (ESG) Program

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

6.2.2 Description
Eligible environmental studies include a Phase I ESA, Phase II ESA, Designated Substance and Hazardous Materials Survey, Remedial Work Plan, and a Risk Assessment. Environmental study grants will only be offered on eligible properties where there is potential for rehabilitation and/or redevelopment of the property.

The ESG Program will provide a grant equal to 50% of the cost of eligible environmental studies to a maximum:

a) grant of $3,000 for a Phase I ESA;
b) grant of $20,000 for any other eligible environmental study;
c) of two (2) studies per project and $30,000 per project.

Applications for this program will be processed and approved on a first come, first serve basis, subject to a higher priority being placed on applications:

a) in Priority Areas 1 and 2;
b) where planning applications have already been approved or submitted, and,
c) located on key known or suspected brownfield sites.

Grant payments approved under this program would be provided to applicants following submission to the Town for review of the final completed environmental study with the original invoice, indicating that the study consultants have been paid in full. The grant will be paid on the lesser of a cost estimate provided by the qualified person (consultant) conducting the study or the actual cost of the study.

Property owners may assign the grant to non-owners, otherwise known as assignees. For example, some property owners may wish to enable prospective purchasers to be eligible for a study grant. Assignees are eligible to apply for this grant, subject to providing the municipality with written consent from the owner to conduct the study and provided that the property owner has assigned the grant to the assignee.

6.3 Tax Assistance Program (TAP)

6.3.1 Purpose
The purpose of the Tax Assistance Program (TAP) is to encourage the remediation and rehabilitation of brownfield sites by providing a cancellation of part or all of the property taxes on a property that is undergoing or has undergone remediation and development to assist with payment of the cost of environmental remediation. This program applies only to properties requiring environmental remediation and/or risk assessment/management.
6.3.2 Description

The legislative authority for the TAP 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 TAP is a property within the CIPA where a Phase II 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) for the proposed use to be filed in the Environmental Site Registry.

“Eligible costs” for the TAP 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) for the proposed use to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act. These costs include:

i) a Phase I ESA, Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, and Risk Assessment not disbursed by the ESG Program;
ii) environmental remediation, including the cost of preparing a RSC;
iii) placing, compacting and grading of clean fill required to replace contaminated soils/fill disposed of off-site;
iv) installing, monitoring, maintaining and operating environmental and/or engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment; and,
v) environmental insurance premiums;

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

The Town will provide municipal property tax assistance in the form of a cancellation of the property tax increase during the rehabilitation period and the development period of the property. This 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 matching 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.

As part of the tax assistance provided to the applicant, the Town may also seek participation from the Regional Municipality of Halton (Region) (as applicable) in order to provide for a cancellation of the municipal (Town and Region) property tax increase. The matching Regional portion of the property tax to be cancelled is subject to approval by Regional Council. The tax assistance provided by the Region may be delivered on a different schedule than the tax assistance provided by the Town and may be subject to additional conditions.
The Town will apply to the Ministry of Finance for matching education property tax assistance on behalf of the property owner. 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 Province, is subject to approval of the Minister of Finance on a case by case basis, may be provided on a different schedule from the tax assistance provided by the Town and the Region, and may be subject to additional conditions.

Any property approved for tax assistance will be subject to passing of a by-law by the Town that authorizes the provision of the tax assistance. This by-law will contain conditions required by the Town as well as conditions required by the Region and the Minister of Finance. In order for the by-law to apply to Regional taxes, before it is passed by the Town, the Town must supply a copy of the proposed by-law to Regional Council. Regional Council must by resolution agree that the by-law will also provide for a matching equivalent cancellation of the Regional property tax increase for up to 3 years. In order for the by-law to apply to education property taxes, before it is passed by the Town, the by-law must be approved in writing by the Minister of Finance.

As a condition of approval of an application for Tax Assistance, the property owner will be required to enter into an agreement with the Town. This Agreement will specify the terms, duration and default provisions of the tax assistance. This Agreement is also subject to approval by Town Council or Council’s designate.

### 6.4 Tax Increment Grant (TIG) Program

#### 6.4.1 Purpose

The purpose of the Tax Increment Grant (TIG) Program is to encourage the remediation, adaptive re-use, expansion of existing buildings, and the redevelopment of brownfield sites by providing grants to help pay for site assessment, remediation and risk assessment costs not fully disbursed by the TAP, other non-environmental rehabilitation costs normally associated with brownfield site redevelopment, and other costs associated with the design and construction of environmentally sustainable and high quality buildings and the provision of affordable housing. This program applies only to properties requiring environmental remediation and/or risk assessment/management.

#### 6.4.2 Description

As shown in Figure 4 below, depending on the location of the approved TIG application (Priority Area 1, 2 or 3), the TIG Program will provide a financial incentive in the form of an annual grant equal to between 60% and 100% of the municipal property tax increase6 for up to twelve (12) years to help offset the cost of remediating and rehabilitating/redeveloping eligible brownfield properties only where the rehabilitation/redevelopment project results in an increase in assessment value and property taxes on these properties.

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 by the original property owner to a third party, subject to approval by the Town, but this is limited to a one-time assignability by the original property owner with an approved TIG Application and Agreement.

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6 This program does not include the education portion of the property tax increase.
## Tax Increment Grant Program

<table>
<thead>
<tr>
<th>Priority Area</th>
<th>Base TIG for Qualifying Project</th>
<th>Plus the Project</th>
<th>Achieves Minimum Employment Density specified by Town</th>
<th>Achieves LEED certification or other environmentally sustainable design/construction standard recognized by the Town</th>
<th>Achieves exemplary building/site design and construction or restores a designated heritage building</th>
<th>Includes a minimum 20% of residential units that are affordable</th>
<th>Maximum Duration of TIG Payment</th>
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<td>80%</td>
<td>100%</td>
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<td>100%</td>
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<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>10 years</td>
</tr>
<tr>
<td>3</td>
<td>60%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>8 years</td>
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</tbody>
</table>
An application can be made for the TIG Program or the TAP, or both programs together. If an application for both the TIG Program and the TAP has been approved, the annual grant available under the TIG Program will begin when the benefits of the TAP end.

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

“Eligible costs” for the TIG are the costs of any action taken to reduce the concentration of contaminants on, in or under the property to permit a RSC for the proposed use to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act, plus other costs including demolition, building rehabilitation and achieving Leadership in Energy and Environmental Design (LEED) Certification. These costs include:

i) a Phase I ESA, Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, and Risk Assessment not disbursed by the ESA Grant Program or the TAP;
ii) environmental remediation, including the costs of preparing a RSC, not disbursed by the TAP;
iii) placing, compacting and grading of clean fill required to replace contaminated soils/fill disposed of off-site not disbursed by the TAP;
iv) installing, monitoring, maintaining and operating environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment, not disbursed by the TAP;
v) environmental insurance premiums not disbursed by the TAP; and,
vii) the following LEED Program Components:
   a) base plan review by a certified LEED consultant;
   b) preparing new 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 requirements;
ix) demolishing buildings including foundations (excluding permit fees); and,

In no case will the total grant provided under the TIG exceed the total of these eligible costs.

The annual grant available under the TIG Program will be offered as a tax-increment based grant on a “pay-as-you go” basis. The applicant will initially pay for the entire costs of remediation and rehabilitation/redevelopment. When the Town receives the incremental property taxes that result from the approved project, the Town will reimburse the applicant in the form of an annual grant equivalent to up to 100% of the increase in municipal taxes that results from the project for a period of up to twelve (12) years, or up to the time when total grant payments equal total eligible costs, whichever comes first.

As a condition of approval of an application for a TIG, the property owner must enter into an agreement with the Town. This Agreement will specify the terms, duration and default provisions of the grant. This Agreement is also subject to approval by Town Council or Council’s designate.

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7 Maximum total of items vi) a) to d) is 10% of total construction costs.
The amount of municipal taxes ("base rate") will be determined before commencement of the project. The increase in the municipal portion of real property taxes (or "municipal tax increment") will be calculated as the difference between the base rate and the amount of municipal taxes levied as a result of re-valuation by the Municipal Property Assessment Corporation (MPAC) following project completion. The amount of the grant will be recalculated every year based on the municipal tax increment every year.

6.5 Regional Funding Participation

As previously noted, the Regional Municipality of Halton Official Plan allows the Region to participate in a Local Municipality’s CIP and make loans and grants to that Local Municipality in support of its CIP. The Region prepared and approved the Regional Program for CIPs Guidelines to assist Regional Council and staff in identifying those Local CIPs and programs that the Region may wish to participate in to implement certain Regional Official Plan (ROP) policies. The Guidelines also identify a process for the four Local Municipalities in Halton to follow when requesting Regional participation in their CIPs and CIP programs.

Therefore, once the CIP is adopted and approved, the enabling mechanism is in place for the Region of Halton to participate with the Town of Oakville in funding one or more of the incentive programs contained in the CIP. If the Region of Halton were to partner with the Town of Oakville in funding some of the incentive programs contained in the CIP, this would significantly increase the ability of the Town to fund more grant applications in the Project Area, thereby improving the effectiveness of this CIP.

In particular, participation by Halton Region in the TIG Program would significantly improve the attractiveness and effectiveness of this program. In order to avoid an amendment to the CIP should the Region decide in the future to participate in the TIG Program, the TIG Program is shown as applying to the municipal property tax increment (i.e., which could include both the Town and Regional portion). However, future Regional participation in the TIG Program is entirely subject to approval by the Region of Halton. Should the Region elect not to participate in the TIG Program, then the TIG available under this program will apply only to the Town property tax increment.

6.6 Targets

Experience in a number of best practice municipalities with long-standing Brownfield CIPs has demonstrated that even with an aggressive outreach and marketing campaign, it often takes a few years before the incentive programs contained in Brownfield CIPs become well known and utilized by brownfield property owners and developers. Often, these programs do not reach optimal utilization until several years into the life of CIP. In particular, it can take several years for a TIG program to reach a mature level of uptake due to the time required to undertake environmental studies and project planning before site remediation takes place.

It is very difficult if not impossible to estimate program utilization past a 5 year period. Furthermore, because the CIP should be reviewed and updated as necessary at least every 5 years, utilization targets were established for an initial 5 year period. Experience in other municipalities has shown that setting these types of targets is at best an exercise to help with budgeting and resource allocation. The actual number and grant values of program applications can vary considerably from year to year.

Taking into consideration the program uptake in municipalities with established brownfield incentive programs, and the number and location of known and potential brownfield sites in Oakville, incentive program utilization (uptake) targets have been established for the next 5 years for the incentive programs that will be included in the CIP. These utilization targets are presented in Section 6.6.1 below.
Sustainability targets for applications utilizing the incentive programs have also been established. These performance targets relate specifically to incorporation of the environmental, economic and livability goals specified for this CIP. The sustainability targets are presented in Section 6.6.2 below.

The utilization and sustainability targets reflect the prioritization of brownfield redevelopment in the three priority areas of Oakville and can be adjusted accordingly as the CIP is implemented and Town staff receive feedback on the uptake and results of the incentive programs. The utilization targets assume that all incentive programs contained in the CIP will be implemented starting in early 2018. And delay in implementation of one or more of the incentive programs contained may require adjustment to the timing of the utilization targets below.

### 6.6.1 Utilization Targets

The targets for general uptake of the Environmental Study Grant (ESG) and Tax Increment Grant (TIG) programs are shown in **Figures 5 and 6** below. These targets assume a healthy uptake for the programs and a continuation of the current economic environment in Southern Ontario and Oakville. It is virtually impossible to estimate the uptake of the Tax Assistance Program (TAP) as this program is not well utilized in Ontario and depends entirely on the applicant’s willingness to apply for this program. Therefore, utilization targets have not been established for the TAP. However, based on utilization rates of the TAP in other municipalities, it can be assumed that the uptake of the TAP program in Oakville will not likely exceed approximately 15% of the TIG Program uptake.

**Figure 5** ESG Program Utilization Targets

<table>
<thead>
<tr>
<th>Priority Area</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
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<td>3</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>18</td>
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</table>

**Figure 6** TIG Program Utilization Targets

<table>
<thead>
<tr>
<th>Priority Area</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>Total</th>
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<tr>
<td>1</td>
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<td>1</td>
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<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
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<td>1</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>8</td>
</tr>
</tbody>
</table>

### 6.6.2 Sustainability Targets

The establishment of sustainability targets for the performance of projects taking advantage of the brownfield redevelopment incentive programs in the CIP is a very difficult exercise. Certain types of development in certain locations may be more readily able to meet the sustainability performance targets. Therefore, the sustainability targets should be interpreted as desirable targets that the Town hopes projects utilizing the TIG program will accomplish. Again, as with the utilization targets, the sustainability targets should be reviewed and adjusted as required at least every 5 years based on the as-built performance of projects taking advantage of the brownfield redevelopment incentive programs. The sustainability targets are shown in **Figure 7** below.
### Figure 7 Sustainability Targets

<table>
<thead>
<tr>
<th>Priority Area</th>
<th>% of TIG projects that:</th>
<th>Achieve minimum employment density</th>
<th>Achieve LEED Certification or other design/construction standard recognized by Town</th>
<th>Achieve exemplary building/site design or restores a designated heritage building</th>
<th>Include minimum 20% of residential units that are affordable</th>
</tr>
</thead>
<tbody>
<tr>
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<td>75%</td>
<td>50%</td>
<td>50%</td>
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<td></td>
</tr>
<tr>
<td>2</td>
<td>60%</td>
<td>40%</td>
<td>75%</td>
<td>50%</td>
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</tr>
<tr>
<td>3</td>
<td>50%</td>
<td>25%</td>
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<td></td>
</tr>
</tbody>
</table>
7.0 CASE STUDIES

The proposed incentive programs in Section 6.0 were applied to two hypothetical brownfield redevelopment case studies in Employment Area (Priority Area 1). This was done to determine the potential financial assistance that could be provided to a larger and a smaller brownfield redevelopment project in Oakville, and potential financial implications to the Town, Region and Province.

The first case study is of a vacant brownfield property being redeveloped for a four storey commercial office building, while the second case study is for a vacant brownfield property being redeveloped for a two storey commercial building.

The assumptions used in both case studies described below were developed in consultation with and approved by Town staff.

7.1 Case Study 1

The first case study assumes a larger brownfield site (1.4 ha) in an Employment Area (Priority Area 1). The site was previously used for a food manufacturing facility but is currently vacant as all buildings on site have been demolished.

The proposed development of the site is for a 4 storey Class A commercial office building at 21,000 sq.ft. per floor, totalling 84,000 sq.ft. The current zoning is Employment Area (E4) (Business Commercial) which permits the proposed land use.

The current assessment class is Commercial Vacant Land and the property is currently assessed at $2,324,500. Based on the current (pre-project) assessment value and applicable Town, Region and Education property tax rates for Commercial Vacant Land, the property generates a total of $28,677 in annual property taxes as shown below:

- **Commercial Vacant Land Property Tax Rates**
  - a) Town = 0.330318%
  - b) Region = 0.301258%
  - c) Education = 0.602099%

- **Current Annual Property Taxes Collected**
  - a) Town = $2,324,500*0.330318% = $7,678
  - b) Region = $2,324,500*0.301258% = $7,003
  - c) Education = $2,324,500*0.602099% = $13,996
  - d) Total = $28,677

The estimated assessment value of the property once the property has been redeveloped to house an 84,000 sq.ft. 4 storey Class A commercial office building is estimated at $24,360,000 using an estimated assessment value of $290 per sq.ft. Based on this post-project assessment value and applicable current Town, Region and Education property tax rates for Occupied Commercial, this brownfield redevelopment project would generate a total of $429,319 in annual property taxes as shown below:

---

8 Rounded to nearest dollar.
• Applicable Post-project Tax Rate – Commercial Full Rate
  a) Town = 0.471883%
  b) Region = 0.430370%
  c) Education = 0.860141%

• Estimated Post-Project Annual Property Taxes Collected
  a) Town = $24,360,000*0.471883% = $114,951
  b) Region = $24,360,000*0.430370% = $104,838
  c) Education = $24,360,000*0.860141% = $209,530
  d) Total = $429,319

The calculations below assume that the project achieves the base level tax increment grant (80%) for a qualifying project (see Figure 3 in Section 6.4). Therefore, the annual tax increment grant would be equal to 80% of the municipal property tax increment generated by the project for up to 12 years.

Figure 8 below shows the annual tax assistance payment and the annual tax increment grant that would be generated by this project based on the above-noted assumptions. If the property owner/developer has applied and been approved for the Tax Assistance Program (TAP) and the Town, Region and Province participate in the Tax Assistance Program, and assuming the program applicant waits until after site remediation and redevelopment is complete to trigger the tax assistance, the TAP will generate an annual tax assistance payment of $400,642 for up to 3 years. If the property owner/developer also has applied and been approved for the Tax Increment Grant (TIG) Program and the Town and Region participate in the TIG Program, the TIG Program will generate an annual tax increment grant payment of $164,086 for up to 12 years.

Figure 8 below also shows how long it would take to repay the applicant their eligible remediation costs ($500,000 to $3,000,000 in $500,000 increments) under the following three Tax Assistance/TIG participation scenarios:

1) Up to 3 Years of Tax Assistance followed by up to 12 years of Tax Increment Grants with the Town, Region, and Province all participating in the TAP, and the Town and Region participating in the TIG Program;
2) Tax Increment Grant for up to 12 years with the Town and Region participating; and,
3) Tax Increment Grant for up to 12 years with only the Town participating.

Under Scenario 1 (Town, Region and Province participating), the total tax assistance and TIG generated by this project over 15 years would be $3,170,963. If there is no TAP, and the Town and Region participate in the TIG Program, the total TIG payment would be $1,969,035. If the Town goes it alone on the TIG, the most that this large project could generate over 12 years would be a TIG of $1,029,816. Therefore, Regional participation in the TIG Program almost cuts the time to repay the eligible remediation costs in half and almost doubles the amount of eligible remediation costs that can be repaid.

The orange area in Figure 8 shows where the tax assistance and TIG cannot fully repay the eligible remediation costs within the time limit of the Tax Assistance and TIG Programs.
Figure 8

Case Study 1  Employment Area (Priority Area 1) - 4 Story Office Building

AV per sq.ft. = $290.00
Sq.ft = 84000
TIG = 80% of Tax Increment for 12 years

Property Tax Rates

<table>
<thead>
<tr>
<th></th>
<th>Applicable Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Town</td>
</tr>
<tr>
<td>Current Commercial - Vacant Land</td>
<td>0.00330318</td>
</tr>
<tr>
<td>Post-Project Commercial - Full Rate</td>
<td>0.00471883</td>
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</tbody>
</table>

Property Taxes

<table>
<thead>
<tr>
<th>Assessment Value</th>
<th>Property Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Town</td>
</tr>
<tr>
<td>Current $2,324,500</td>
<td>7,678 $</td>
</tr>
<tr>
<td>Post-Project $24,360,000</td>
<td>114,951</td>
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<tr>
<td>Increment $22,035,500</td>
<td>107,272 $</td>
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Tax Assistance (TA) and Tax Increment Grant (TIG)

<table>
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<tr>
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<th>Town</th>
<th>Region</th>
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<tr>
<td>Annual TA Payment $</td>
<td>107,272</td>
<td>97,835</td>
<td>195,535</td>
<td>400,642</td>
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<tr>
<td>Annual TIG Payment @ 80% of Tax Increment $</td>
<td>85,818</td>
<td>78,268</td>
<td>NA</td>
<td>164,086</td>
</tr>
</tbody>
</table>

Years Required to Repay Eligible Remediation Costs

<table>
<thead>
<tr>
<th>Remediation Cost Scenario</th>
<th>TA with Town, Region, Education Participation, followed by TIG with Town and Region Participation (up to 15 years total)</th>
<th>TIG Only with Town and Region Participation (up to 12 years)</th>
<th>TIG Only with Town Participation Only (up to 12 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 500,000</td>
<td>1.2</td>
<td>3.0</td>
<td>5.8</td>
</tr>
<tr>
<td>$ 1,000,000</td>
<td>2.5</td>
<td>6.1</td>
<td>11.7</td>
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<tr>
<td>$ 1,500,000</td>
<td>4.8</td>
<td>9.1</td>
<td>17.5</td>
</tr>
<tr>
<td>$ 2,000,000</td>
<td>7.9</td>
<td>12.2</td>
<td>23.3</td>
</tr>
<tr>
<td>$ 2,500,000</td>
<td>10.9</td>
<td>15.2</td>
<td>29.1</td>
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<tr>
<td>$ 3,000,000</td>
<td>14.0</td>
<td>18.3</td>
<td>35.0</td>
</tr>
<tr>
<td>Maximum Repayment Generated by TA and TIG $</td>
<td>3,170,963 $</td>
<td>1,969,035 $</td>
<td>1,029,816 $</td>
</tr>
</tbody>
</table>
7.2 Case Study 2

The second case study assumes a smaller brownfield site (0.3 ha) in an Employment Area (Priority Area 1). The site was previously used as a gasoline station, but is currently vacant as all buildings on site have been demolished.

The proposed development of the site is for a 2 storey commercial building with retail on the main floor and office on the second floor at 9,500 sq.ft. per floor, totalling 19,000 sq.ft.

The current assessment class is Commercial Vacant Land and the property is currently assessed at $1,761,000. Based on the current (pre-project) assessment value and applicable Town, Region and Education property tax rates for Commercial Vacant Land, the property generates a total of $21,725 in annual property taxes as shown below:

- **Commercial Vacant Land Property Tax Rates**
  a) Town = 0.330318%
  b) Region = 0.301258%
  c) Education = 0.602099%

- **Current Annual Property Taxes Collected**
  a) Town = $1,761,000*0.330318% = $5,817
  b) Region = $1,761,000*0.301258% = $5,305
  c) Education = $1,761,000*0.602099% = $10,603
  d) Total = $21,725

The estimated assessment value of the property once the property has been redeveloped to house a 19,000 sq.ft. 2 storey commercial building is estimated at $7,030,000 using an estimated assessment value of $450 per sq.ft. for the 9,500 sq.ft. of retail space on the main floor, and $290 per sq.ft. for the 9,500 sq.ft. of Class A office space on the second floor.

Based on this post-project assessment value and applicable current Town, Region and Education property tax rates for Occupied Commercial, this brownfield redevelopment project would generate a total of $123,896 in annual property taxes as shown below:

- **Applicable Post-project Tax Rate – Commercial Full Rate**
  a) Town = 0.471883%
  b) Region = 0.430370%
  c) Education = 0.860141%

- **Estimated Post-Project Annual Property Taxes Collected**
  a) Town = $7,030,000*0.471883% = $33,173
  b) Region = $7,030,000*0.430370% = $30,255
  c) Education = $7,030,000*0.860141% = $60,468
  d) Total = $123,896

---

9 Rounded to nearest dollar.
The calculations below assume that the project achieves the enhanced tax increment grant level (100%) for a qualifying project (see Figure 3 in Section 6.4). Therefore, the annual tax increment grant would be equal to 100% of the municipal property tax increment generated by the project for up to 12 years.

Figure 9 below shows the annual tax assistance payment and the annual tax increment grant that would be generated by this project based on the above-noted assumptions. If the property owner/developer has applied and been approved for the Tax Assistance Program (TAP) and the Town, Region and Province participate in the Tax Assistance Program, and assuming the program applicant waits until after site remediation and redevelopment is complete to trigger the tax assistance, the TAP will generate an annual tax assistance payment of $102,171 for up to 3 years. If the property owner/developer also has applied and been approved for the Tax Increment Grant (TIG) Program and the Town and Region participate in the TIG Program, the TIG Program will generate an annual tax increment grant payment of $52,306 for up to 12 years.

Figure 9 below also shows how long it would take to repay the applicant their eligible remediation costs ($250,000 to $1,500,000 in $250,000 increments) under the following three Tax Assistance/TIG participation scenarios:

1) Up to 3 Years of Tax Assistance followed by up to 12 years of Tax Increment Grants with the Town, Region, and Province all participating in the TAP, and the Town and Region participating in the TIG Program;
2) Tax Increment Grant for up to 12 years with the Town and Region participating; and,
3) Tax Increment Grant for up to 12 years with only the Town participating.

Under Scenario 1 (Town, Region and Province participating), the total tax assistance and TIG generated by this project over 15 years would be $934,190. If there is no TAP, and the Town and Region participate in the TIG Program, the total TIG payment would be $627,676. If the Town goes it alone on the TIG, the most that this smaller project could generate over 12 years would be a TIG of $328,278.

The orange area in Figure 9 shows where the tax assistance and TIG cannot fully repay the eligible remediation costs within the time limit of the Tax Assistance and TIG Programs.
## Case Study 2: Employment Area (Priority Area 1) - 2 Story Building (Retail/Office)

<table>
<thead>
<tr>
<th>Sq.ft.</th>
<th>AV per sq.ft.</th>
<th>AV</th>
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<tbody>
<tr>
<td>Retail (Main Floor) 9500</td>
<td>$450.00</td>
<td>$4,275,000.00</td>
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<tr>
<td>Office (2nd Floor) 9500</td>
<td>$290.00</td>
<td>$2,755,000.00</td>
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<tr>
<td>TOTAL 19000</td>
<td>N/A</td>
<td>$7,030,000.00</td>
</tr>
</tbody>
</table>

TIG = 100% of Tax Increment for 12 years

### Property Tax Rates

<table>
<thead>
<tr>
<th></th>
<th>Applicable Tax Rate</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Town</td>
<td>Region</td>
<td>Education</td>
<td>Total</td>
</tr>
<tr>
<td>Current Commercial - Vacant Land</td>
<td>0.00330318</td>
<td>0.00301258</td>
<td>0.00602099</td>
<td>0.01233675</td>
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<td>Post-Project Commercial - Full Rate</td>
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<td>0.00430370</td>
<td>0.00860141</td>
<td>0.01762394</td>
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### Property Taxes

<table>
<thead>
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<th>Assessment Value</th>
<th>Property Taxes</th>
<th></th>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Current $1,761,000</td>
<td>$5,817</td>
<td>$5,305</td>
<td>$10,603</td>
<td>$21,725</td>
</tr>
<tr>
<td>Post-Project $7,030,000</td>
<td>$33,173</td>
<td>$30,255</td>
<td>$60,468</td>
<td>$123,896</td>
</tr>
<tr>
<td>Increment $5,269,000</td>
<td>$27,356</td>
<td>$24,950</td>
<td>$49,865</td>
<td>$102,171</td>
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### Tax Assistance (TA) and Tax Increment Grant (TIG)

<table>
<thead>
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<th>Town</th>
<th>Region</th>
<th>Education</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual TA Payment</td>
<td>$27,356</td>
<td>$24,950</td>
<td>$49,865</td>
<td>$102,171</td>
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<tr>
<td>Annual TIG Payment @ 100% of Tax Increment</td>
<td>$27,356</td>
<td>$24,950</td>
<td>NA</td>
<td>$52,306</td>
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</tbody>
</table>

### Years Required to Repay Eligible Remediation Costs

<table>
<thead>
<tr>
<th>Remediation Cost Scenario</th>
<th>TA with Town, Region, Education Participation, Followed by TIG with Town and Region Participation (up to 15 years total)</th>
<th>TIG Only with Town and Region Participation (up to 12 years)</th>
<th>TIG Only with Town Participation Only (up to 12 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$250,000</td>
<td>2.4</td>
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<td>9.1</td>
</tr>
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<td>18.3</td>
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<td>$750,000</td>
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<td>19.1</td>
<td>36.6</td>
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<td>$1,250,000</td>
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<tr>
<td>$1,500,000</td>
<td>25.8</td>
<td>28.7</td>
<td>54.8</td>
</tr>
</tbody>
</table>

Maximum Repayment Generated by TA and TIG $934,190 $627,676 $328,278
8.0 NEXT STEPS

The next step in the process is the preparation of a Draft CIP that includes detailed incentive programs, a monitoring program and a marketing strategy. Once the Draft CIP has been prepared, internal staff meetings will be held to review and finalize the Draft CIP. The Draft CIP will then be circulated to the Ministry of Municipal Affairs and other prescribed agencies for comment. A formal statutory public meeting to be held under the Planning Act will be advertised and the Final Draft CIP will be made available for viewing to key stakeholders and the public prior to the Public Meeting. The Final CIP will then be presented for consideration to Council at the Statutory Public Meeting.
9.0 REFERENCES


APPENDIX A

Comprehensive Brownfield Management Project
**Phase 1**
PSAB PS3260 Standard Compliance and Data Collection
(October 2014 to mid-2016)

**Goals**
- PSAB PS 3260 Standard compliance
- Establish baseline inventory with contaminated sites
- Establish corporate policy and associated business processes
- Further define staff roles and responsibilities related to contaminated site management

**Tasks**
- Review baseline information
- Create inventory of town’s contaminated sites
- Compile comprehensive data pull
- Analyze data available
- Conduct field work required
- Assess liability of PS 3260 identified sites
- Review and analyze business processes / rules specific to PS 3260 accounting policy

**Phase 2**
Business Processes Optimization in Brownfield Management for Town Lands
(Late 2016 to 2019)

**Goals**
- Improve risk mitigation in decision-making process
- Enhance staff awareness and connectedness of brownfield management activities
- Reduce corporate liability
- Achieve competencies and efficiencies in contaminated site data management
- Create a risk smart culture

**Tasks**
- Establish optimized business processes
- Implement optimized business processes
- Review and utilize existing database structure for contaminated site inventory
- Implement database modifications

**Phase 3**
Brownfield Redevelopment Strategy and Brownfield CIP for Private Lands
(2015 to 2018, contingent on external funding)

**Goals**
- Reduce amount of vacant non-productive lands
- Improve environment by addressing contamination
- Optimize property tax recovery and levy
- Promote economic development

**Tasks**
- Develop and award RFP for Brownfield Redevelopment Strategy and Brownfield CIP
- Prepare and submit FCM funding application
- Develop Brownfield Redevelopment Strategy and Brownfield CIP
- Update and modify inventory of town’s contaminated sites
- Implement and promote Brownfield Redevelopment Strategy for private lands
APPENDIX B
Staff Report on the Brownfield Strategy
REPORT
PLANNING AND DEVELOPMENT COUNCIL MEETING
MEETING DATE: SEPTEMBER 11, 2017

FROM: Economic Development Department
Planning Services Department

DATE: August 28, 2017

SUBJECT: Brownfield Redevelopment Strategy

LOCATION: Town wide

RECOMMENDATION:
That the Brownfield Redevelopment Strategy, outlined in the August 28, 2017 report from the Economic Development and Planning Services departments, be endorsed and used as the basis for the preparation of the Community Improvement Plan and implementation.

KEY FACTS:
The following are key points for consideration with respect to this report:

- Oakville is home to several known and suspected brownfield sites.
- Brownfield sites can have negative environmental, financial and economic impacts on the community.
- On November 2, 2015 P&D Council directed staff to develop a Brownfield Redevelopment Strategy and Community Improvement Plan (CIP) for private lands.
- The programs proposed in the Brownfield Redevelopment Strategy must be implemented through a CIP, similar to the Façade Improvement Program in Kerr Village.
- With Council’s endorsement of the Brownfield Redevelopment Strategy, a Draft CIP will be prepared that will include detailed incentive programs, a monitoring program, marketing plan, and administrative procedures.
- The CIP is an enabling document; however, Council is under no obligation to activate and implement any of the incentive programs contained in the CIP. Once activated, the programs in the CIP can be used individually or together by an applicant.
- The Brownfield Redevelopment Strategy’s proposed incentive programs can be leveraged and enhanced through Regional participation. Discussion is taking place at the staff level in this regard, with recommendations to be included in the final report to P&D Council.
The Final CIP and staff report will be presented for consideration by P&D Council at a Statutory Public Meeting, planned for December 2017.

BACKGROUND:

Brownfield Definition
Brownfields are underutilized or abandoned lands that may be the site of real or perceived environmental contamination resulting from previous uses or landfilling practices, but where there is an active potential for redevelopment. Typical examples of brownfields include heavy industrial manufacturing (metals, glass, and chemicals), petroleum storage, printers, dry cleaners, landfills, gasoline stations, etc.

Oakville is home to several known and suspected brownfield sites. While Oakville does not have the same number of contaminated properties when compared to some other Ontario municipalities, there are approximately two dozen known or suspected contaminated sites in Oakville. There is also potential for other unknown brownfield sites, particularly in industrial areas such as Speers Road and Wyecroft Road, Midtown Oakville, and other sites throughout the town.

Brownfield Studies
The Town is undertaking a comprehensive, coordinated, cross-departmental approach to addressing public and private brownfields in Oakville. The Comprehensive Brownfield Management Project is broken into three phases:

Phase 1 – address the Public Sector Accounting Board (PSAB) 3260 requirements for public lands;
Phase 2 – evaluate departments’ activities related to contaminated site management of both public and private side lands; and
Phase 3 – develop an approach to support the assessment, remediation and redevelopment of privately owned contaminated sites.

Phases 1 and 2 are being led by the Environmental Policy department. This report deals with Phase 3 which is led by the Economic Development department and supported by an inter-departmental technical team. As part of Phase 3, staff was directed by Council on November 2, 2015 to develop a Brownfield Redevelopment Strategy and Community Improvement Plan (CIP) for private lands in the Town of Oakville, which will include sustainability goals, specific targets, actions, and an implementation and monitoring strategy, contingent on receiving matching study funding from the Federation of Canadian Municipalities (FCM) Green Municipal Fund (GMF).

An application to FCM was submitted in May 2016 and approved for funding at the end of 2016. Through an RFP process, RCI Consulting was engaged to undertake
analysis and stakeholder consultation as well as prepare the Brownfield Redevelopment Strategy and CIP. Two stakeholder workshops and one public information meeting were held during 2017. The stakeholder workshops were attended by developers, brownfield property owners, and consultants. Each workshop included a presentation followed by facilitated discussion, providing an opportunity for input and feedback.

This report has been prepared as an interim step to obtain Council’s endorsement of the proposed Brownfield Redevelopment Strategy prior to developing the Draft CIP. The Strategy will be used as the basis for the development of the CIP, including detailed incentive programs, a monitoring program, marketing plan, and administrative procedures, which will then be distributed for comments and revised accordingly. The Final CIP and staff report will be presented for consideration by P&D Council at a Statutory Public Meeting, planned for December 2017.

COMMENT/OPTIONS:

The Problem
Brownfields are problematic for the Town for a variety of reasons which include negative environmental, financial and economic development impacts. These impacts may adversely affect the Town’s ability to meet provincially mandated intensification/growth targets, attract employment, and increase property tax revenues. It is estimated that at the present time, contaminated properties result in approximately $80,000 per year in tax losses for the Town resulting from owners having their properties reassessed due to contamination.

From an environmental perspective, contaminated properties can create significant health and safety hazards for people living or working on or near a contaminated property. Contaminants may include toxins such as metals, polychlorinated biphenyl (PCBs), road salts, VOCs, polycyclic aromatic hydrocarbons (PAHs), or petroleum hydrocarbons (PHCs). In addition to the health and safety impacts for those living and working near a contaminated property, there is also potential for the contaminants to migrate off-site, impacting neighbouring properties.

From an economic development perspective, contaminated properties can result in underutilized employment lands and difficulty attracting new employment opportunities.

The cost of cleaning up brownfields can be expensive, if not prohibitive, for many property owners. In some cases it is unlikely that a brownfield property will be cleaned-up without assistance.
The Solution
Cleaning up brownfields improves the quality of the environment - and the health and safety of the community – through the remediation of contaminated lands to improve land, water, air quality and wildlife habitat. This action mitigates the impact of real and perceived risks as well as improves the desirability of a property or neighbourhood.

The redevelopment of contaminated properties can bring new employment, commercial and residential opportunities to the community, allow for smarter growth through intensification, and encourage development in areas that would make more efficient use of existing public infrastructure and services.

Contaminated properties can result in tax losses for the Town through assessment reductions; however, the clean-up and redevelopment of these sites can actually increase property assessment values, resulting in additional tax revenue for the Town.

The Brownfield Redevelopment Strategy provides a solution that encourages the remediation and redevelopment of privately-owned brownfield properties in Oakville and supports the Town’s commitment to livability as it addresses negative social, environmental and economic impacts that affect the town’s residents and businesses. The strategy comprises three incentive programs that result in net new revenue for the Town over time.

The Brownfield Redevelopment Strategy’s proposed incentive programs must be implemented through a Community Improvement Plan (CIP). A CIP is a tool of the Planning Act which allows a municipality to make grants or loans to businesses as an exception to the rule against bonusing in the Municipal Act. This is a similar process by which the façade improvement program was implemented in Kerr Village.

Many municipalities have successfully implemented brownfield incentive programs to encourage redevelopment and improve these properties and neighbourhoods. The Brownfield Redevelopment Strategy for Oakville offers many of the best practices gleaned from other municipalities, but customizes them to meet the specific brownfield redevelopment needs and goals identified in Oakville.

Once the CIP has been adopted and approved, the draft incentive programs can be activated by Council, one or more at a time, based on Council approval of the implementation of each program, and to subject to the availability of funding. The CIP is an enabling document, however, Council is under no obligation to activate and implement any of the incentive programs contained in the CIP. Once activated, the programs in the CIP can be used individually or together by an applicant.
BROWNFIELD REDEVELOPMENT STRATEGY

Community Improvement Project Area
Under the Planning Act, a Community Improvement Project Area (CIPA) must be designated by by-law in order to implement a Community Improvement Plan. The proposed CIPA will be “all land within the urban area of the Town of Oakville, as amended from time to time”. While the CIPA will be the entire town, it was determined through policy review, analysis and stakeholder consultation that Employment Areas should have the highest priority, followed by the Growth Areas, and then the rest of the Urban Area. Employment Areas are given the highest priority because brownfield redevelopment in these areas addresses all of the key issues identified – environmental, financial and economic development. The boundary of the CIPA and the three priority sub-areas are shown in Appendix A to this report.

The Brownfield Redevelopment Strategy proposes three financial incentive programs to promote the redevelopment of privately-owned brownfield sites. Appendix A provides an outline of the Brownfield Redevelopment Strategy including methodology; policy support; community improvement needs and goals; community improvement project area; and detail on the above mentioned draft incentive programs. These programs are summarized below and will be detailed in the CIP:

1. Environmental Study Grant Program
The purpose of the Environmental Study Grant Program is to encourage property owners to undertake environmental studies in order to ascertain the type of contamination and potential remediation costs on brownfield properties. This program would offer a grant equal to 50% of the cost of eligible environmental studies to a maximum of:

   a) $3,000 for a Phase I ESA;
   b) $20,000 for any other eligible environmental study;
   c) two studies per project and $30,000 per project.

2. Tax Increment Grant
The purpose of the Tax Increment Grant (TIG) Program is to encourage the redevelopment of brownfield sites by providing a tax rebate (legislatively referred to as a grant) to help pay for remediation costs associated with the site. The proposed TIG Program provides a rebate of 60% to 100% of the municipal property tax increase resulting from the redevelopment. The percentage rebated depends on the priority areas for redevelopment and the environmentally sustainable, design, and affordability goals as set out in the Table 1 below. These goals form a customized program for Oakville that helps to achieve multiple objectives for redevelopment. The TIG Program rebate is paid annually until the eligible remediation costs are
repaid or the maximum timeframe has been reached, whichever occurs first. Over time, the program provides net new revenue to the Town.

Table 1: TIG Matrix of eligibility

<table>
<thead>
<tr>
<th>Priority Area</th>
<th>Base TIG for Qualifying Project</th>
<th>Plus the Project</th>
<th>Achieves Minimum Employment Density</th>
<th>Achieves LEED certification or other env. sustainability standard recognized by Town</th>
<th>Achieves exemplary building/ site design &amp; construction or restores designated heritage building</th>
<th>Includes min. 20% residential units that are affordable</th>
<th>Maximum Duration of TIG Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Employment Areas</td>
<td>80%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>12 years</td>
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<tr>
<td>2 Growth Areas</td>
<td>70%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>10 years</td>
</tr>
<tr>
<td>3 Other Areas</td>
<td>60%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>8 years</td>
</tr>
</tbody>
</table>

The benefit of the TIG program is illustrated in Figure 1 below. The green line indicates the existing level of taxes on the brownfield property. The dotted line (Potential devalued taxes) shows the potential for a loss in tax revenue that could occur if an owner requests a reassessment of the property value because of the contamination. The dashed line (New taxes after redevelopment) shows the new level of taxes resulting from the redevelopment of the site, while the dark line (Net taxes after redevelopment) shows the net new taxes. The area to the right of the dark line depicts the uplift in taxes and the net new revenue to the Town over time. The area to the left of the dark line shows the impact of the TIG program, being the equivalent amount of the eligible remediation costs that are rebated to the property owner. As the figure illustrates, the TIG Program never impacts the existing taxes paid to the Town and provides the opportunity to realize a higher level of taxes in perpetuity.
Appendix B to this report provides a financial scenario that further demonstrates the benefit of the Tax Increment Grant Program.

3. Tax Assistance Program

The purpose of the Tax Assistance Program is to encourage redevelopment of brownfield sites by freezing municipal and education property taxes for three years on a property that is undergoing or has undergone remediation and redevelopment. The freeze in taxes remains in effect until the eligible remediation costs are recovered or three years, whichever occurs first. Experience has shown that many municipalities include a Tax Assistance Program in their CIPs but the program is used only for very large redevelopment projects due to the additional approval process and timeline.

Halton Region

In 2016, Halton Region released its Regional Program for Community Improvement Plans (CIPs) Guidelines. These guidelines allow the Region to participate in local municipal CIPs by way of grants to local municipalities in support of local municipal
CIP programs, which implement Regional Official Plan policies, as set out in the guidelines. In addition, the guidelines cap any Regional contribution at a maximum of $50,000 per application and specify that any Regional contribution be matched locally. Funding of $75,000, to be provided annually, was approved in the Region’s 2017 budget.

In its current form, the Regional guidelines do not specify the types of local municipal CIP programs in which the Region would participate. However, given the current maximum contribution and budget allocation, Regional participation in the Town’s proposed Environmental Study Grant program is more likely than Regional participation in the Tax Increment Grant Program and the Tax Assistance Program. Regional participation in these two programs will make these programs much more attractive to potential applicants as the grants for their eligible costs will be received more quickly and are more likely to reach the maximum repayment value allowed. Should the Region participate in the TIG program, the value of the grant paid to the applicant would be shared between the Region and the Town, thus reducing the financial obligation for the Town.

Appendix B to this report includes the impact of Regional participation in the TIG program. Both the Town and Region would contribute to the rebate of the cleanup costs, but they would jointly share in the long-term benefit provided by the uplift in taxes resulting from the redevelopment. Regional staff have participated in the Town’s working group for the development of the Brownfield Redevelopment Strategy. Recommendations regarding Regional participation will be included in the Final CIP and staff report to P&D Council at the end of 2017.

**Next Steps**

If Council endorses the Brownfield Redevelopment Strategy as set out in this report, a Draft CIP will be prepared that includes the detailed incentive programs, a monitoring program, marketing strategy and administrative procedures. Internal staff meetings will be held to review and complete the Draft CIP. This Draft CIP will then be circulated to the Ministry of Municipal Affairs and other stakeholders for comment. These comments will then be utilized to finalize the CIP which will then be presented for consideration to Council at a Statutory Public Meeting. It is estimated that the Final CIP will be presented to Council in December 2017. Subsequently, by-laws to designate the CIPA and to adopt the CIP will be brought to Council for approval.
CONSIDERATIONS:

(A) PUBLIC
Over the last few months, two stakeholder meetings and a public information meeting were held to receive input into the proposed Brownfield Redevelopment Strategy. The Draft CIP will be available for the public to review in advance of the Statutory Public Meeting and final report to Council.

(B) FINANCIAL
This report does not generate any financial impact to the Town; however, it sets the context for future financial consideration when the Final CIP and staff report are brought forward to Council later this year.

The Brownfield Redevelopment Strategy proposes three financial incentive programs, one of which will require funding, being the Environmental Study Grant Program. Halton Region currently administers an annual grant of $75,000 to be used in conjunction with the local municipal CIP programs throughout the Region. A recommendation to establish a level of funding from the Town will be set out in the final report to Council. Because the request for environmental study grants will be unknown in any given year, it is suggested that a maximum of $40,000 be authorized and funded from the corporate contingency reserve on an annual basis. Establishing the funding level and authorization in advance will allow the program to be implemented in an efficient manner. Town and any potential Regional funding for environmental study grants will be matched by the applicant.

With respect to the Tax Increment Grant (TIG), a budget will not be necessary because the rebate will be offset entirely by the growth in assessment resulting from the redevelopment. The site will be flagged with the Finance department when a TIG application is processed so that the growth in the assessment is not factored into the budget until the rebate of the remediation costs is complete or the maximum timeframe is reached, whichever occurs first.

For the Tax Assistance Program, the existing taxes are frozen at the pre-development level. The assessment growth is not recognized until the remediation costs are rebated or the maximum timeframe of three years is reached, whichever occurs first.
(C) IMPACT ON OTHER DEPARTMENTS & USERS
The experience in other municipalities indicates that brownfield incentive programs can be initially slow to see an uptake from the development community. It is anticipated that the administration of the three proposed programs can be undertaken by existing resources in Environment, Finance, Economic Development and Planning Services departments.

(D) CORPORATE AND/OR DEPARTMENT STRATEGIC GOALS
This report addresses the corporate strategic goal to:
• enhance our economic environment
• have environmentally sustainable programs/services
• continuously improve our programs and services
• provide outstanding service to our residents and businesses
• be fiscally sustainable

(E) COMMUNITY SUSTAINABILITY
This work addresses the economic, environmental and social pillars of sustainability. The redevelopment of privately-owned brownfields can encourage new employment, commercial and residential opportunities into the community; increase property values and tax revenues; reduce or eliminate liability as well as reduce environmental, health and safety hazards.

APPENDICES:
Appendix A – Brownfield Redevelopment Strategy
Appendix B – Tax Increment Grant Program Example

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APPENDIX C
Background Policy Review
The Provincial Policy Statement (the “PPS”) is issued under Section 3 of the Planning Act and provides direction on matters of provincial significance related to land use planning and development. Section 3 of the Planning Act requires that decisions affecting planning matters shall be consistent with policy statements issued under the Act.

The Province of Ontario released the latest version of the PPS on February 24, 2014 and the policies took effect on April 30, 2014. The PPS defines brownfield sites 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 vision for land use planning in Ontario in the PPS states that “the long-term prosperity and social well-being of Ontarians depends on planning for strong, sustainable and resilient communities for people of all ages, a clean and healthy environment, and a strong and competitive economy”.

A major objective of the PPS is to manage and direct land use to achieve efficient development and land use patterns that will sustain the financial well-being of the Province and municipalities over the long term (Section 1.1.1 a). This includes accommodating an appropriate range and mix of residential, employment, institutional, recreation, park and open space, and other uses (Section 1.1.1 b) and promoting cost-effective development patterns and standards to minimize land consumption and servicing costs (Section 1.1.1 e).

Several sections of the PPS are of particular relevance because they directly or indirectly and support brownfield redevelopment and its contribution to intensification and redevelopment. For example, Section 1.1.3 of the PPS directs that Planning authorities 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 (Section 1.1.3.3). Therefore, brownfield sites are specifically identified as opportunities for redevelopment and intensification.

The PPS also notes that economic development and competitiveness should be supported by encouraging compact, mixed-use development that incorporates compatible employment uses to support liveable and resilient communities.

In addition to the promotion of brownfield redevelopment as a way to achieve efficient development patterns and economic development, the PPS also stresses that development, including brownfield redevelopment, should be compact, well designed, and environmentally sensitive. For example, the PPS notes that healthy, liveable and safe communities are sustained by accommodating an appropriate range and mix of residential, employment, institutional, recreation, park and open space, and other uses (Section 1.1.1 b) and promoting development and land use patterns that conserve biodiversity and consider the impacts of a changing climate (1.1.1 h).

Other policies in the PPS also promote:

- An appropriate range of residential types and densities that accommodate current and future users, that efficiently use the land, services, infrastructure and public service facilities, and support active transportation and transit in areas where it exists or is to be developed (Section 1.4.3);
• Healthy, active communities with streets, parks, public spaces and trails that are pedestrian and cyclist-friendly and contain a range of different recreation opportunities (Section 1.5.1);
• Long-term prosperity through the maintenance and enhancement of downtown and mainstreets (Section 1.7.1c) and the redevelopment of brownfield sites (Section 1.7.1 e));
• Encouraging a sense of place, by promoting well-designed built form and cultural planning, and by conserving features that help define character, including built heritage resources and cultural heritage landscapes (Section 1.7.1 d); and,
• Conservation of significant built heritage and cultural heritage resources (Section 2.6.1).

C.1.2 Growth Plan for the Greater Golden Horseshoe

The 2017 Growth Plan for the Greater Golden Horseshoe (“Growth Plan”) came into effect on July 1, 2017 and replaces the 2006 Growth Plan for the Greater Golden Horseshoe (GGH). The 2017 Growth Plan is the Province of Ontario’s growth strategy for the GGH region, which includes the Town of Oakville and the Regional Municipality of Halton. The Growth Plan provides a framework for implementing Ontario’s vision for building stronger, prosperous communities by better managing growth in the GGH. The Growth Plan works together with the Greenbelt Plan, the Oak Ridges Moraine Conservation Plan and the Niagara Escarpment Plan to manage growth, build complete communities, curb sprawl and protect the natural environment.

The Growth Plan provides an overall growth strategy for the region to 2041 that builds upon the policy foundations in the PPS and is implemented primarily by municipal planning documents and other municipal tools. The Growth Plan notes that better use of land and infrastructure can be made directing growth to settlement areas and prioritizing intensification, with a focus on strategic growth areas, including urban growth centres and major transit station areas, as well as brownfield sites and greyfields.

The Growth Plan directs that the vast majority of growth will be directed to settlement areas that have: a delineated urban boundary, existing or planned municipal water and wastewater systems, and can support the achievement of complete communities. Within settlement areas, growth will be focussed on: delineated built-up areas, strategic growth areas, locations with existing or planned transit, with a priority on higher order transit where it exists or is planned, and areas with existing or planned public service facilities.

The Town of Oakville’s Urban Area within the Delineated Built-Up Area and brownfield sites within the Delineated Built-Up Area are considered Strategic Growth Areas in the Growth Plan. Midtown Oakville is identified in the Growth Plan as an urban growth centre. Midtown Oakville is to be planned to achieve, by 2031 or earlier, a minimum gross density of 200 residents and jobs combined per hectare.

A number of the policies in the Growth Plan are similar to those in the PPS, and are also relevant to and provide direction for this Brownfield Strategy and the CIP. More precisely, the Growth Plan seeks to build vibrant and complete communities that:
• Feature a diverse mix of land uses, including residential and employment uses, and convenient access to local stores, services, and public service facilities;
• Prioritize intensification and higher densities to make efficient use of land and infrastructure;
• Provide a diverse range and mix of housing options, including affordable housing to serve all sizes, incomes, and ages of households;
• Ensure the development of high quality compact urban form;
• Integrate green infrastructure and low impact development;
- Protect and enhance natural resources;
- Support a strong and competitive economy; and,
- Optimize the use of new and existing infrastructure.

Section 2.2.5.5 of the Growth Plan also specifies that upper and single-tier municipalities, in consultation with lower-tier municipalities, the Province, and other appropriate stakeholders, will each develop an employment strategy that:

a) establishes a minimum density target for all employment areas, measured in jobs per hectare, that reflects the current and anticipated type and scale of employment that characterizes the employment areas;

b) identifies opportunities for the intensification of employment areas on sites that support active transportation and are served by existing or planned transit; and,

c) will be implemented through a municipal comprehensive review, including official plan policies and designations and zoning by-laws.

C.2 Regional Municipality of Halton Policies

C.2.1 Regional Official Plan (ROP)

The Regional Official Plan (ROP) is the Regional Municipality of Halton's guiding document for land use planning. It contains the goals, objectives, and policies that manage growth and direct physical change and its effects on the social, economic and natural environment of the Region. Section 72(8) of the ROP includes an objective for the Urban Area to promote the adaptive re-use of brownfield and greyfield sites. Section 85(13) includes an objective for housing to promote residential intensification through the development or redevelopment of brownfield and greyfield sites. Section 253.1(1) of the ROP specifically identifies brownfields as sites or areas with the potential to develop or redevelop at higher density than currently exist. The ROP policies consider intensification and the development of intensification areas as the higher priority of development within Halton and includes policies that support employment intensification.

The ROP directly identifies the use of Local Municipal CIPs to implement specific policies, including:

- Promoting and supporting intensification and development of Intensification Areas as the highest priority of urban development within the Region (Section 81(7.2));
- Promoting residential intensification, including the provision of assisted, affordable and special needs housing components through the redevelopment of brownfield and greyfield sites outside employment areas (Section 86(13.1));
- Providing Assisted, Affordable and Special Needs Housing (Section 86(15)); and,
- Promoting and supporting agriculture in Halton (Section 101(5)i)).

Sections 205.3 to 205.6 contain the Region’s Community Improvement Plan policies. These policies specify that the Region may participate in a Local Municipality’s CIP and make loans and grants to that Local Municipality in support of its Plan, and that Regional Council, in consultation with the affected Local Councils, will use CIPs at the appropriate time and circumstances to implement policies of the ROP.
C.2.2 Regional Guidelines for Regional Participation in Local Municipal CIPs and Programs

The Regional Municipality of Halton has prepared a set of guidelines to aid in implementation of the ROP. One of these guidelines is the Regional Program for Community Improvement Plans (CIPs) Guidelines which was approved by the Region in September of 2016. These Guidelines assist Regional Council and staff in identifying those Local CIPs and programs that the Region may wish to participate in to implement certain Regional Official Plan (ROP) policies. The Guidelines also identify a process for the four Local Municipalities in Halton to follow when requesting Regional participation in their CIPs and CIP programs.

The following have been identified as the ROP policies that could be implemented through CIPs:

- promoting and supporting intensification and intensification area development;
- promoting residential intensification on brownfields and greyfields;
- encouraging and creating assisted, affordable and special needs housing;
- promoting and supporting agriculture;
- protecting and preserving cultural heritage resources; and,
- promoting employment area intensification on brownfields and greyfields.

Regional participation in Local Municipal CIP programs will be based on demonstration that the applicable Local Municipal CIP program will aid in implementing one or more of the above-noted ROP policies. Any financial grant made by Halton Region to an individual Local Municipal CIP program application must be matched by the Local Municipality. Also, any financial grant made by Halton Region to an individual Local Municipal CIP program application is capped at a maximum of $50,000. The process for a Local Municipality in Halton to apply to the Region for Regional funding to support a Local Municipal CIP program application is shown in Figure C1 below.

Figure C1 Regional Program for CIPs – Local Municipality Request Process

Source: Regional Program for Community Improvement Plans (CIPs) Guidelines (Attachment #1 to Report LPS94-16, Niagara Region).
C.3 Town of Oakville Policies

C.3.1 Vision 2057

In October of 2011, the Town of Oakville launched Vision 2057, an overarching sustainable community framework that the Town has adopted to guide its comprehensive master planning. As shown in Figure C2 below, three major plans (Community Sustainability Plan, Official Plan, and Strategic Plan,) form the basis of this framework. Other key plans, strategies and projects, including this Brownfield Strategy and the CIP which is a component of the Comprehensive Brownfield Management Project, flow directly from, and are designed to implement, the directions contained in Vision 2057.

Figure C2  Vision 2057 Framework

C.3.2 Let’s Be Livable Community Sustainability Plan

The Sustainability Plan integrates the four pillars of sustainability – environmental, social, economic and cultural, and defines how the community will achieve sustainability and strengthen community resiliency. Key directions in the Community Sustainability Plan include the improvement of land, water and air quality; reduction of waste, energy consumption and GHG; promotion of active transportation; and enhancement of the local economy. All of these directions reinforce the need for a Brownfield Strategy and CIP, and more specifically, the approach being taken to prepare this Brownfield Redevelopment Strategy and the CIP.
C.3.3 Livable Oakville Official Plan

Oakville’s Official Plan is comprised of the Livable Oakville Plan and the North Oakville East and West Secondary Plans. The Livable Oakville Plan applies to the lands south of Dundas Street and north of Highway 407, while the North Oakville East and West Secondary Plans (see Section 3.3.4 below) apply to the lands north of Dundas Street and south of Highway 407.

The Livable Oakville Plan was adopted by the Council of the Corporation of the Town of Oakville on June 22, 2009 through By-law 2009-112 and approved by the Regional Municipality of Halton on November 30, 2009. Livable Oakville was deemed to conform to the Growth Plan, 2006, and the Region’s Official Plan, as amended, and to be consistent with the PPS, 2005. Livable Oakville guides land use policy and community improvement planning and directs future growth in Oakville. Numerous policies in Livable Oakville directly or indirectly support brownfield redevelopment, intensification in Midtown Oakville, and the goals of this CIP. These policies are summarized below.

C.3.3.1 Mission Statement

The mission statement in Section 2 of Livable Oakville is “to enhance the Town’s natural, cultural, social and economic environments by ensuring that environmental sustainability, cultural vibrancy, economic prosperity and social well-being are incorporated into growth and development decisions.” This mission statement sets the tone and direction of Livable Oakville in that the policies incorporated into Livable Oakville, and the planning and development decisions that flow from Livable Oakville, will promote a balance of environmental sustainability, cultural vibrancy, economic prosperity and social well-being.

C.3.3.2 Guiding Principles

Section 2.2.1 of Livable Oakville stresses that the Town will preserve and create a livable community with the majority of growth directed to appropriate locations where higher density, transit and pedestrian oriented development can be accommodated, and achievement of long-term economic security with a diverse range of employment opportunities for residents. Section 2.2.3 of Livable Oakville stresses the achievement of sustainability, both in terms of reducing the environmental impact of development and achieving sustainable building and community design.

C.3.3.3 Managing Growth and Change

The policies of Livable Oakville relating to the management of growth and change are intended to implement the mission statement and guiding principles of Livable Oakville. Many of the guiding principles, in turn, reflect those of the PPS and Growth Plan which provide for a significant shift to a more compact urban form and intensification within the built-up area.

Section 4.1 of Livable Oakville directs that the majority of intensification in the Town is to occur within the Growth Areas, including Midtown Oakville. Growth Areas are intended to be developed as mixed use centres with transit-supportive development focused around major transit station areas and along corridors.

Section 4.2 of Livable Oakville notes that in addition to being a Growth Area, Midtown Oakville is an urban growth centre identified by the Growth Plan. The greatest levels of height and density in the Town are planned for Midtown Oakville. Midtown Oakville is planned to achieve a minimum gross density of 200 jobs and residents combined per hectare by 2031, in accordance with the Growth Plan. Reductions in minimum heights or densities within Midtown Oakville will not be permitted.
While Section 4.3 of Livable Oakville notes that the key focus for development and redevelopment to accommodate intensification will be in Growth Areas, intensification outside of Growth Areas will be considered in the context of Livable Oakville. This includes additional intensification opportunities such as infill, redevelopment and greyfield and brownfield sites.

C.3.3.4 Urban Design
Section 6 of Livable Oakville contains the policies on urban design. These policies promote a high standard of urban and architectural quality to provide an innovative and diverse urban form that promotes a sustainable, dynamic and livable environment.

C.3.3.5 Sustainability
Section 10 of Livable Oakville contains the Town’s objectives and policies on achieving sustainable development in order to achieve environmental sustainability. The objectives in Section 10.1 center on minimizing the environmental impact of development and achieving sustainable building and community design.

Section 10.2 promotes climate change programs that mitigate and adapt to impacts. Examples are: initiatives to reduce GHGe through development that promotes increased transit usage and active transportation modes and encouraging energy efficient and green buildings. Section 10.4 notes that the Town will promote energy conservation by encouraging development that is compact, mixed use, designed to promote energy conservation, promotes transit and active transportation and uses appropriately selected and located vegetation to reduce the energy consumption of buildings. Section 10.5 encourages proposals for alternate energy systems and renewable energy systems at appropriate scale.

Section 10.6 notes that the Town will encourage innovative programs and construction methods which support the sustainable development and redevelopment of buildings. Sustainable features sought by the Town may include, but are not limited to:

- renewable energy systems such as wind, geothermal and solar power installations;
- energy-efficiency technologies that are consistent with high energy efficiency standards (such as Energy Star and LEED buildings), design features and construction practices;
- green roofs or high albedo roofs that contribute to the reduction of the urban heat island effect;
- permeable paving and other innovative stormwater management methods;
- water conservation and efficiency measures; and,
- conserving heritage resources, which contributes to sustainability by reducing landfilling and lessening the demand for energy and resources needed for new construction.

Finally, Section 10.7 of Livable Oakville notes that where the redevelopment of large greyfield or brownfield sites for residential land uses is proposed, the intensification policies provided in section 11.1.9 shall apply. Such redevelopment shall also be planned in a comprehensive manner.

C.3.3.6 Midtown Oakville
Section 20 of Livable Oakville contains policies on Midtown Oakville. Midtown Oakville is one of 25 areas identified as an urban growth centre in the Province’s Growth Plan. The Midtown Oakville urban growth centre is approximately 100 hectares in size and bounded by the QEW to the north, Chartwell Road to the east, Cornwall Road to the south and the Sixteen Mile Creek valley to the west. Key objectives for Midtown Oakville in Section 20.2 of Livable Oakville include:
d) promoting a compact urban form with higher density and higher intensity land uses;

e) ensuring high quality urban design that complements and contributes to the vitality of both Midtown Oakville and the Town; and,

f) promoting sustainable building practices.

The growth targets for Midtown Oakville are specified in Section 20.4.3 of Livable Oakville. Midtown Oakville shall provide for a minimum gross density of 200 residents and jobs combined per hectare by 2031 in accordance with the Growth Plan. This translates to approximately 5,900 residential units and 186,000 – 279,000 square metres of commercial and employment space to accommodate an estimated 12,000 residents and 8,000 jobs by 2031. Reductions in minimum heights or densities within Midtown Oakville will not be permitted.

**C.3.3.7 Community Improvement Policies**

Section 28.14 of Livable Oakville contains the Town’s community improvement policies that apply to lands south of Dundas Street. These Community Improvement policies are attached as C1 at the end of this appendix.

Section 28.14.2 sets out the criteria for designating a community improvement project area. The areas identified and prioritized in this Brownfield CIP meet several of these criteria including building and structures in need of maintenance and repair, opportunities for infilling and development of under-utilized sites, existing or probable soil or water contamination, and in the case of Midtown, deficiencies in the physical infrastructure. Section 28.14.3 notes that a community improvement plan may be prepared, adopted and implemented to guide a number of actions on the part of the Town, including the provision of grants, loans or tax assistance for community improvement activities such as the cost of rehabilitating lands and buildings.

The only other CIP adopted by the Town is Kerr Village CIP, adopted in 2014. This CIP includes a grant to promote building facade improvement in Kerr Village, and therefore, does not conflict with this CIP.

The 2006 Oakville Official Plan was first adopted by Council on July 5, 1983 by By-law 1983-114 and was subsequently approved by the Minister of Municipal Affairs and Housing. It was amended many times to reflect new development or land-use changes. The consolidated version of the Official Plan incorporates all amendments and modifications approved by the Minister up to September 20, 2006.

Part C, Section 13 of the 2006 Oakville Official Plan contains the Town’s community improvement policies that apply to lands north of Dundas Street and south of Highway 407 between Ninth Line in the east and Tremaine Road in the west. These policies are attached as C2 at the end of this appendix.

Section 13.2 sets out the criteria for consideration when selecting potential areas for community improvement. The North Oakville area meets the criteria for community improvement under Section 13.2.f., including problems with inappropriate land uses, inadequate building maintenance, or lack of development on vacant or under-utilized land. Part B, Section 13 includes the goals and objectives regarding community improvement. This includes improving the property and business tax base in commercial areas by upgrading the urban infrastructure and stimulating private investment.
3.3.4 North Oakville East and West Secondary Plans

The North Oakville East Secondary Plan and the North Oakville West Secondary Plan, known collectively as the “North Oakville Plans” provide a planning framework for the lands north of Dundas Street and south of Highway 407 between Ninth Line in the east and Tremaine Road in the west. The North Oakville East Secondary Plan was approved by the Ontario Municipal Board (OMB) in January 2008. The North Oakville West Secondary Plan was approved as Amendment 289 to the Town’s 2006 Official Plan, in May 2009. The North Oakville Plans are not technically part of Livable Oakville, but endure as amendments to the Town’s 2006 Official Plan.

In May 2017, the North Oakville Secondary Plans Review (NOSPR) was initiated. This study is a component of the town’s ongoing Official Plan Review and it is a major component of the NOSPR to bring the North Oakville Plans into Livable Oakville so that the Town has one Official Plan document.

A number of the policies in the 2006 Oakville Official Plan and the North Oakville Plans directly or indirectly support brownfield redevelopment and the goals of this CIP. These policies are summarized below.

3.3.4.1 Community Vision

The North Oakville Plans are founded on a vision for a compact, pedestrian-oriented, urban community. The character and pattern of North Oakville will be significantly influenced by a planned natural heritage and open space system. The North Oakville community will also be forward-looking and a model of smart growth and social diversity.

3.3.4.2 General Development Objectives

Section 7.2.3 of the North Oakville East Secondary Plan and Section 8.2.3 of the North Oakville West Secondary Plan outline General Development Objectives to guide future urban development. These development objectives include:

- incorporating measures to achieve the goals of environmental protection and enhancement including energy conservation, greenhouse gas reduction, and increased utilization of public transit;
- establishing overall development densities that equal or exceed the density established by the Halton Urban Structure Plan;
- creating employment districts which provide for a range of employment opportunities;
- planning for and promoting higher order employment densities at appropriate locations that maximize employment opportunities, particularly in areas where higher order/frequent transit service is planned; and,
- minimizing travel time, traffic, greenhouse gases, servicing costs and energy costs through a variety of mechanisms.

3.3.4.3 Nodes and Corridors

Nodes and Corridors are identified in the North Oakville Plans as the Health Oriented Mixed Use Node as well as urban core areas and include Trafalgar Urban Core Area, Dundas Urban Core Area and Neyagawa Urban Core Area.

3.3.4.4 Employment Targets

Section 7.3.7 of the North Oakville East Secondary Plan and Section 8.3.4 of the North Oakville West Secondary Plan outline the employment targets for North Oakville. The North Oakville Plans were designed to:
d) Achieve a balance both in type and quantity between local employment opportunities and the resident labour force;
e) Actively encourage a diversification of employment opportunities in Oakville; and,
f) Encourage the growth of industrial commercial assessment.

The target for North Oakville East is approximately 300 net hectares of employment land and 16,500 jobs at capacity, reflecting a target of an average of 55 employees per net hectare. In addition, it is anticipated that there will be approximately 8,500 population related employees for a total target of 25,000 jobs at capacity. The target for North Oakville West is approximately 250 net hectares of employment land and 10,000 jobs at capacity, reflecting an average of 55 employees per net hectare.

3.3.4.5 Sustainable Development Strategy

The Town of Oakville is committed to the principle of sustainable development in North Oakville. Section 7.4 of the North Oakville East and Section 8.4 of the North Oakville West plans outline the Sustainable Development Strategy for North Oakville as it relates to development form. This Strategy identifies that the Town will actively encourage development which is specifically based on the principle of sustainable development. The Town will also work with other public agencies to encourage them to follow these principles. Such development will be designed to:

a) reduce the consumption of energy, land, and other non-renewable resources;
b) minimize the waste of materials, water, and other limited resources;
c) create livable, healthy, and productive environments; and,
d) reduce greenhouse gas emissions.

C.3.5 Town of Oakville Strategic Plan

The Town of Oakville’s 2015–2018 Strategic Plan outlines the goals, actions and measures that will help Council achieve its vision. The vision for Oakville is to be the most livable town in Canada. Five areas of focus are outlined in the Strategic Plan and three of these areas of focus, environmental leadership, economic growth, and fiscal sustainability, relate directly to the Brownfield Strategy and this CIP. One of the key actions for 2016-2018 under the economic growth focus area is the development of a Brownfields Strategy for corporate and private lands to enhance and promote economic sustainability.

C.3.6 Environmental Strategic Plan – 2011 Update

The 2011 Plan Environmental Strategic Plan (ESP) updates the Towns 2005 ESP. The 2011 ESP is largely aimed at the Town’s own activities, but a number of the ESP goals and objectives are supported by this Strategy and the CIP, including:

- Sustaining and enhancing the natural environment;
- Reducing resource consumption and waste production;
- Creating and supporting a healthy and resilient community; and,
- Applying innovative best environmental management practices.

One of the key objectives of the ESP is to foster an environmentally sustainable urban form and one of the actions the Town will be undertaking to help accomplish this objectives is to inventory and analyze underutilized brownfield and greyfield sites in Oakville and research ways to make these properties more marketable. The endorsement of this Strategy and adoption of the accompanying CIP will certainly help to make brownfield sites in Oakville more marketable.
The ESP also recommends investigation of municipally-supported financial incentives for green development and building practices, reduced water and energy consumption, GHGe, and active transportation. These objectives will also be advanced by this Strategy and the CIP.

C.3.7 Midtown Strategy

The Midtown Strategy envisions Midtown Oakville as a complete urban community and targets 12,000 people and 8,000 jobs by 2031. This will require increased development densities in Midtown and the Growth Plan specifies that the Midtown Oakville urban growth centre be planned to achieve, by 2031 or earlier, a minimum gross density of 200 residents and jobs combined per hectare. Much of the recent development proposed or built in Midtown is not at a scale that will enable the Town to achieve the overall density required by the Growth Plan (Planning Services Department Report PD-009-14, p. 7).

The Midtown Strategy consists of three major studies: the Midtown Oakville Class Environmental Assessment, Midtown Oakville Parking Strategy, and of most relevance, the Designing Midtown Oakville Study prepared in 2013 to 2014. The recommendations of these studies shall inform updates to the Livable Oakville Plan and Zoning By-law to continue to support the long-term redevelopment of lands in Midtown Oakville. Additional implementation tools, such as the Brownfields CIP, will also be used to help implement the Midtown Strategy.

In order to accommodate the growth planned for Midtown, the Class Environmental Assessment recommends a preferred alternative that includes transportation and stormwater infrastructure to be constructed over an approximate 20+ year timeline with an estimated cost of $180 million (land and infrastructure costs) (Planning Services Department Report PD-046-14, p. 19). The Designing Midtown Oakville Study provides urban design guidelines for the urban structure, transportation, public realm, gateways, built form and parking for Midtown Oakville. In support of the Midtown Strategy, the Town of Oakville prepared a Draft Official Plan Amendment (OPA) and Draft Zoning By-law for Midtown Oakville. The Draft OPA identifies the Brownfield CIP as a key implementation tool to generate the required density of development.

C.3.8 Economic Development Strategy

The 2009-2019 Economic Development Strategy (EDS) outlines how economic development can contribute to the Town’s vision to be the most livable town in Canada. The EDS notes that Oakville should make optimal use of its remaining employment lands. The Brownfield CIP will help to achieve that objective.

The EDS contains a number of actions that will assist the Town in achieving the three primary goals of the Economic Development Strategy, which are:

i) Attract knowledge-based industries in the professional services, advanced manufacturing and life sciences sectors;

ii) Respond to the needs of the business community in order to foster business retention and expansion; and,

iii) Explore international business opportunities.

The Brownfield CIP will help to promote the expansion and redevelopment of brownfield employment lands for new employment uses and this will provide opportunities to achieve all three of the primary goals of the EDS.
C.3.9 Climate Change Adaptation Strategy

The Town of Oakville is also one of 12 signatory municipalities working with Local Governments for Sustainability (ICLEI) and has developed a corporate Climate Change Adaption Strategy (2014) and is into its second year of implementation. The town participated in the joint ICLEI / FCM Partners for Climate Protection (PCP) program to develop and implement the town’s GHGe reduction strategy. The town has successfully completed Milestone’s One to Five of the PCP Program and recently adopted the new PCP GHGe targets matching those of global leaders.

C.3.10 Comprehensive Brownfield Management Project

The town recognizes that many departments are involved with brownfields through processes such as contaminated site/historical land use inventories, managing publicly owned brownfields (including risk assessment/management and liability mitigation), environmental plan review for development on privately owned brownfields, public land assumptions, property tax arrears on vacant and underutilized brownfield sites, public vesting, and cross property contamination issues. Only a comprehensive, coordinated and cross-departmental systems approach can fully address both public and private contaminated sites to promote sustainable brownfield redevelopment. That is why the Town has launched a Comprehensive Brownfield Management Project (CBMP).

As shown in Figure B2, the CBMP comprises three distinct phases. Phases 1 and 2 address the management of publicly owned contaminated sites and the town’s business processes related to contaminated sites. Work on these two phases is currently well underway. Phase 3 of the CBMP is the Brownfield Redevelopment Strategy and CIP and is aimed at promoting the redevelopment of privately held brownfield lands.
Attachment C1
Livable Oakville: Community Improvement Policies, Section 28.14
Livable Oakville: 28.14 Community Improvement

28.14.1 The Town may, in a by-law, designate one or more community improvement project areas in accordance with the provisions of the Planning Act.

28.14.2 The designation of a community improvement project area shall be based on one or more of the following criteria:
   a) deficiencies in the physical infrastructure of the area, including water, sanitary sewers, storm sewers, roads, sidewalks, curbs, street lighting, traffic control and electrical facilities;
   b) deficiencies in the provision or design of off-street parking areas;
   c) inadequate parks, open space, landscaping and community or recreation facilities;
   d) evidence of economic decline in commercial areas, such as unstable uses or high vacancy rates;
   e) problems with incompatible land uses;
   f) buildings and structures in need of maintenance and repair;
   g) need to improve streetscape amenities on public and/or private property;
   h) need for heritage resource conservation;
   i) opportunities for infilling and development of under-utilized sites; and,
   j) existing or probable soil or water contamination.

28.14.3 A community improvement plan may be prepared, adopted and implemented to guide the following within each community improvement project area:
   a) upgrades to existing municipal infrastructure and services for the purpose of stimulating private investment;
   b) the construction, repair, rehabilitation or improvement of buildings and structures;
   c) the acquisition, holding, clearing, grading or preparation of land for community improvement;
   d) the sale, lease or transfer of municipal lands and buildings; and,
   e) the provision of grants, loans or tax assistance for community improvement activities such as the cost of rehabilitating lands and buildings.

28.14.4 The Town may, in a by-law, dissolve a community improvement project area where it is satisfied that the community improvement plan has been carried out.
Attachment C2

2006 Official Plan: Community Improvement Policies, Part C, Section 13
13.1 The Town may designate areas of community improvement in accordance with the provisions of the Planning Act.

13.2 The following criteria will be considered when selecting potential areas for community improvement:
   a) deficiencies in the sewer, water, or storm sewer systems;
   b) deficiencies in the provision or design of off-street parking areas;
   c) deficiencies in existing roads, sidewalks and/or curbs;
   d) lack of provision and/or design problems with existing public facilities such as parks, open space, landscaping, and public buildings;
   e) significant need for aesthetic improvement on public and/or private land;
   f) problems with inappropriate land uses, inadequate building maintenance, or lack of development on vacant or under-utilized land;
   g) inadequate, outdated, or inappropriate street lighting, traffic control, and signage;
   h) indications of a need for heritage resource conservation.

13.3 In an area designated for community improvement, a community improvement plan will be prepared in accordance with the Planning Act. The implementation of the community improvement plan will be assisted:
   a) through participation in funding programs with senior levels of government;
   b) through enforcement of the Town's Property Standards By-law and the encouragement of the rehabilitation and maintenance of existing structures;
   c) through encouraging the formation and continuation of Business Improvement Areas to maintain and enhance the viability of commercial areas;
   d) through the preparation of streetscape improvement and beautification plans, where appropriate;
   e) through the preparation of architectural guidelines and the application of bonus zoning techniques, where appropriate;
   f) through the review of existing zoning and sign control by-laws;
   g) through the coordination and phasing of public utility and public works spending programs;
   h) through such programs and policies as Council sets out in the Community Plan.
D BEST PRACTICES REVIEW

D.1 Introduction

In order to help inform the development and consideration of incentive programs to help the Town of Oakville promote the redevelopment of privately owned brownfield sites, a scoped best practices review of incentive programs used by other municipalities in Ontario was conducted. Due to the variable brownfield redevelopment needs in Oakville from high density residential development in Midtown to existing industrial employment areas along Speers Road and Wyecroft Road, this scoped best practices review focused on three types of incentive programs.

First, a number of Ontario municipalities with well-established brownfield incentive programs were selected. Very few municipalities in Canada outside of Ontario offer municipal incentives for the redevelopment of privately owned brownfield sites. This is in part due to restrictive legislative regimes in other parts of Canada. The City of Edmonton, AB. is one of the few good examples of a municipality outside of Ontario that offers a package of brownfield incentive programs, so it was also included in the best practices review.

Second, a few Ontario municipalities have incentive programs designed to promote redevelopment/development of employment areas where the incentive is targeted only to specific employment sectors and/or the availability and value of the incentive is tied to economic performance of the participating project.

Third, a few Ontario municipalities have recently begun to offer incentive programs designed to promote sustainable residential intensification and mixed use development in certain areas of their municipality. These municipalities have tied the availability and value of these incentives to density, design, and sustainability of the projects in order to help ensure the projects meet the municipality’s goals.

D.2 Brownfield Redevelopment Incentive Programs

D.2.1 Methodology

Numerous municipalities in Ontario offer incentives to promote brownfield redevelopment, not only in their downtowns, but also in their older industrial areas and often municipality wide. Figure D1 below shows the most recent statistics (2012) collected by the Ontario Ministry of Municipal Affairs and Housing (MMAH) on municipalities in Ontario that offer brownfield redevelopment incentive programs and shows that 52 municipalities in Ontario offer a variety of brownfield redevelopment incentive programs. Of these 52 municipalities:

- 52% offer partial or total development charge reduction;
- 54% offer planning and building permit fee rebates/grants;
- 58% offer environmental site assessment (ESA) grants;
- 77% offer combined municipal and education property tax assistance through the Province’s Brownfields Financial Tax Incentive Programs (BFTIP); and,
- 96% offer pay-as-you-go tax increment grants.
A number of the municipalities in Ontario with long-standing brownfield redevelopment CIPs/incentive programs were chosen for this scoped best practices review. These include: Cornwall, Guelph, Kingston, Hamilton, Niagara Falls, Ottawa, and Kitchener/Cambridge/Waterloo. Edmonton, AB was also added as it is likely one of the best examples outside Ontario. Two of the Ontario municipalities, Niagara Falls and the Waterloo lower-tier municipalities are in two-tier jurisdictions, similar to Oakville. For these municipalities, brownfield incentive programs offered by the upper tier municipality, either matching the lower tier brownfield incentive programs, or as separate programs, were also reviewed.

While the Brownfield CIPs (and development charge by-laws, as applicable) in each municipality were reviewed, the web sites of each municipality were also examined to determine which brownfield incentive programs are currently being offered by each municipality. In some cases, not all of the incentive programs currently contained in the applicable CIP are being offered at this time. The details of the brownfield incentive programs offered in each municipality are included in Attachment 2 and the types of brownfield incentive programs offered by each municipality are summarized in Figure D2 below.

This best practices review is not intended as an exhaustive analysis, but instead was conducted to identify the eligible costs and the characteristics of the different types of municipal incentive programs used by municipalities to promote brownfield redevelopment on private sector lands.

D.2.2 Overview of Programs

Taken as a whole, the 8 municipalities in this comparison offer nine different types of financial incentive programs to the private sector to promote brownfield redevelopment. It should be noted that many of these municipalities also engage in municipal leadership activities on publicly and privately owned brownfields, including the maintenance of brownfield/historical land use inventories, and brownfield redevelopment supportive planning, data base, marketing and monitoring programs.

All of the municipalities in this comparison offer assistance with the cost of environmental studies such as Phase II Environmental Site Assessments (ESAs). The types of studies funded vary slightly from municipality to municipality. Only 2 of the 8 municipalities in the comparison also provide grants to help offset the cost of project feasibility studies and design drawings.
Figure D2  Comparison of Municipal Brownfield Redevelopment Incentive Programs

<table>
<thead>
<tr>
<th>Type of Program</th>
<th>Municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cornwall</td>
</tr>
<tr>
<td>1) Environmental Study Grant</td>
<td>X</td>
</tr>
<tr>
<td>2) Project Feasibility Study Grant</td>
<td>X</td>
</tr>
<tr>
<td>3) Property Tax Assistance (Freeze/ Cancellation)</td>
<td>X</td>
</tr>
<tr>
<td>4) Tax Increment Grant (TIG)</td>
<td>X</td>
</tr>
<tr>
<td>5) Development Charge Reduction</td>
<td>X</td>
</tr>
<tr>
<td>6) Remediation Loan</td>
<td>X</td>
</tr>
<tr>
<td>7) Municipal Tipping Fees Grant</td>
<td>X</td>
</tr>
<tr>
<td>8) Planning/ Building Permit Fees Grant</td>
<td>X</td>
</tr>
<tr>
<td>9) Payment-in-Lieu of Parkland Dedication Grant</td>
<td>X</td>
</tr>
</tbody>
</table>
All of the Ontario municipalities in this comparison offer a program to freeze, or in some cases, cancel the municipal and education property taxes on a brownfield property undergoing or that has undergone remediation and redevelopment for up to 3 years. The inclusion of the education property taxes in this freeze or cancellation requires approval from the Province (Minister of Finance) on a case by case basis.

All of the municipalities in this comparison offer grants to help offset the costs of remediation during the redevelopment of brownfield properties. In Ontario, these remediation grants take the form of pay-as-you-go tax increment grants (TIGs). The developer front-ends the costs of remediating and redeveloping the brownfield site, and these grants are paid out to the developer after the brownfield site is remediated and redeveloped in the form of an annual grant based on the property tax increase or “tax increment” (TI) generated by the brownfield redevelopment project. In Ontario, these TIGs are typically paid out over a period of 10 years. In Edmonton, AB., the developer has the option of receiving a TI grant for 6 years or a lump sum payment at the time of remediation (lump sum payment capped at $200,000.

Four (4) of the 8 municipalities in the comparison also offer development charge reductions or deferrals. Typically, this is done by allowing an applicant with an approved TIG to apply their remediation expenses against the municipal development charges payable. The TIG is then typically reduced (or “offset”) by the amount of remediation expenses applied against the municipal development charges. Both of the upper tier governments in Niagara and Waterloo have separate development charge reduction programs for brownfield redevelopment.

Only 2 of the 8 municipalities in the comparison offer a grant to reduce planning/building permit fees. The City of Cornwall is the only municipality in the comparison that also offers a municipal tipping fee grant and a grant to help offset the payment of parkland dedication fees on brownfield sites that are being redeveloped.

D.2.3 Geographic Approach

Ontario municipalities that have prepared and adopted community improvement plans for the promotion of brownfield redevelopment have done so both on an area specific and urban area wide basis. Municipalities such as Kingston have designated a community improvement project area for brownfields that corresponds to a specific geographic area that contains the greatest number of potential brownfield sites. This is usually an older industrial area(s), older urban areas of the municipality, and/or older downtown areas. However, most municipalities have tended to designate the entire urban area as a community improvement project area for their CIP, especially if their brownfield sites are in several parts of the urban area or spread out across the urban area. A number of municipalities, such as Hamilton and Guelph, originally started by designating only their older industrial areas or older parts of the City, and then expanding their community improvement project area to the entire urban area. It should be noted that the City of Kingston has had to twice expand its Brownfield community improvement project area since inception of its Brownfields CIP.

Of the 8 municipalities in the comparison, 6 offer their brownfield redevelopment incentive programs (Brownfield CIPs) across their entire urban areas. The City of Ottawa Brownfields Redevelopment CIP designates the Urban Area and the designated Villages as shown in the Official Plan as the Community Improvement Project Area because even though brownfield sites in Ottawa are scattered throughout the urban and rural area, the Official Plan directs growth in the rural area to the 26 designated villages. Cornwall’s Brownfield CIP covers most of its urban area, while Kingston’s Brownfield CIP covers its downtown and older industrial areas. A number of municipalities, such as Niagara Falls, have designated “the entire urban area as amended from time to time” as the community improvement project area for its Brownfield CIP. This use of a
text reference to the urban area as amended from time to time rather than a map avoids having to amend the
CIP if there is a change to the urban area boundary in the future.

Clearly, the choice of a community improvement project area depends on the location of brownfield sites in a
municipality, which in turn depends in part on the historic industrialization and growth pattern of the
municipality. While occurring more naturally in older industrial areas, brownfields can be found across most
municipalities in the form of former uses such as gasoline stations, dry cleaners, printers, manufacturers,
blacksmiths, textile mills, asphalt plants, petroleum storage and automobile wrecking yards.

It should be noted that a number of the municipalities in the comparison, including Hamilton, Niagara Falls and
Ottawa have chosen to combine the urban area wide and area specific geographic approaches, i.e., a “hybrid
approach”. These municipalities have done this by designating community improvement project areas for their
Brownfield CIPs that are urban area wide, but have then identified “sub-areas” or “priority areas” within their
larger community improvement project areas e.g., their brownfield legacy sites/areas and/or downtown areas.
The brownfield incentive programs in these municipalities have then been tailored to provide more generous
incentives in these areas and/or accomplish specific planning and economic development goals in these
areas. This hybrid approach was discussed and recommended in the “Approaches to Community
Improvement Planning for Brownfield Redevelopment in Oakville (February 2014)”. In the case of Oakville, this
would mean preparing a Brownfield CIP that contains programs to promote brownfield redevelopment town-
wide, but that also includes policies and programs to promote development of high priority areas such as
Midtown in a manner that achieves the Town’s planning, design and sustainability goals for these key Growth
Areas.

D.2.4 Environmental Study Grant Programs

All of the municipalities in the comparison offer an environmental study grant program. These are also referred
to as environmental site assessment (ESA) grant programs. These programs provide a matching grant that
covers 50% of the cost of a Phase II Environmental Site Assessments (ESA), Risk Assessment and/or Risk
Management Plan, and Remedial Work Plan (RWP). Some municipalities in Ontario also allow Designated
Substance and Hazardous Materials Surveys as an eligible cost under their ESA Programs. In our
comparison, it appears that only Guelph formally allows Designated Substance and Hazardous Materials
Surveys as an eligible cost, however, a number of the other municipalities have permitted Designated
Substance and Hazardous Materials Surveys as an eligible cost. In the case of the Ontario municipalities, a
Phase I ESA is not covered as an eligible cost. In Edmonton, a Phase I ESA is an eligible cost for their grant
program. It is recommended that environmental study grant programs allow all of these types of environmental
studies (Phase I ESA, Phase II ESA, Risk Assessment, Risk Management Plan, RWP, and Designated
Substance and Hazardous Materials Surveys) as eligible costs.

The City of Edmonton offers a very generous grant for Phase I and Phase II ESAs. Grants for a Phase I ESA
equal 80% of the cost of the Phase I ESA to a maximum grant of $5,000. Grants for a Phase II ESA equal 80%
of the cost of the Phase II ESA to a maximum grant of $80,000. This is much higher both in terms of
percentage covered and maximum grant amount than any of the municipalities in Ontario. Among the Ontario
municipalities, all offer a Phase II ESA Grant for 50% of the cost of the environmental study, with the maximum
grant for a single environmental study typically in the $12,000 to $20,000 range. The Region of Waterloo offers
the highest maximum ESA Grant among Ontario municipalities at $40,000. Many of the Ontario municipalities
allow for two environmental studies, e.g., a Phase II ESA and Risk Assessment, or a Phase II ESA and RWP.
In this case, the maximum grant amount is usually increased if there is more than one environmental study
approved under the program. It should be noted that Ottawa’s ESA grant is paid as part of the tax increment based grant, not as a payment once the environmental study is completed.

Response to these environmental study grant programs in larger municipalities with numerous brownfield sites can be very high. For example, since 2001, Hamilton has approved 143 Study Grant applications for a total Environmental Study Grant amount approved of approximately $1,360,200 allowing the environmental study of approximately 397 acres (160.5 ha.) of land. Much of this land was subsequently remediated and redeveloped using Hamilton’s ERASE Redevelopment Grant Program.

Most municipalities require submission of a copy of the completed environmental study and verification that the environmental consultant has been paid prior to issuing an environmental study grant. Hamilton and Guelph will not release environmental studies funded using an environmental assessment study grant to a prospective purchaser or the public. Some municipalities, on the other hand, specify in their application materials that they are free to provide the environmental study to prospective purchaser(s). This practice is not advisable as it will dissuade owners from conducting environmental studies and permitting environmental studies to be conducted on their properties.

In order to facilitate the transfer of brownfield sites to parties who wish to remediate and rehabilitate these sites, most municipalities will provide the environmental study grant program to the property owner or a prospective purchaser (with consent from the property owner). It is important from a municipal perspective to ensure that environmental study grants are provided to owners or purchasers of properties that will actually be cleaned up and redeveloped, and where there will be an increase in assessed value, and therefore property taxes. One way to do this is to require planning applications or a redevelopment plan be submitted prior to submission of the environmental study grant application. However, in practice, this requirement can be problematic. First, it is not realistic to expect an owner or prospective purchaser to submit detailed redevelopment plans for a property they are not certain can be feasibly cleaned up. This determination can be made only once the environmental studies are complete. Second, even if redevelopment plans are submitted, this is no guarantee that the property will be redeveloped. Again, actual development on a brownfield site usually hinges in large part on the results of the environmental studies. While inquiries regarding redevelopment plans should be made by the municipality in the application for an environmental study grant, and the veracity of the responses should be evaluated by municipal staff, the submission of detailed redevelopment plans as a required condition for environmental study grants is not recommended.

A number of municipalities in the comparison, including Hamilton and Guelph, utilize a “roll-over” budget mechanism to ensure that any monies not used in a given year are rolled over into the next year. Hamilton puts the monies into a capital budget fund. Guelph rolls any leftover funds from the annual operating budget for environmental assessment grants into a reserve fund that pays for environmental site assessments of city-owned and/or strategically located privately owned parcels. This rollover flexibility is advisable as these programs are often not fully utilized in the early years until potential users become aware of the program’s existence. Also, flexibility with respect to the uses of the environmental assessment funds (assessments of private and/or public property) is advisable to maximize use of funds available for this purpose.
D.2.5 Project Feasibility Study Grant Programs

Only Cornwall and Ottawa offer matching grants that cover 50% of the cost of studies to determine project feasibility. Eligible studies typically include market analyses, concept plans, design drawings, structural analyses, evaluation of existing mechanical and HVAC systems, etc. Cornwall offers a 50% grant to a maximum grant of $7,500 per property while Ottawa offers a maximum $5,000 grant per property. Again, in Ottawa this grant is offered as part of the tax increment based grant. Based on experience to date with project feasibility study grants, it does not appear that they are highly utilized and they are not nearly as significant in leading to brownfield redevelopment, as environmental study grant programs. The need for this type of incentive is questionable, and it is not necessarily recommended.

D.2.6 Property Tax Assistance Programs

The Municipal Act, 2001 allows a municipality to pass a by-law providing tax assistance to an eligible property in the form of cancellation of all or a portion 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. The matching education tax assistance is subject to approval by the Province (Minister of Finance) through its Brownfields Financial Tax Incentive Program (BFTIP) on a case by case basis. The municipality must make application to the Province for the matching education tax assistance. This process is complicated and time consuming, often taking more than six months to obtain approval from the Province. This is one of the main reasons that the Province’s BFTIP Program has not been well utilized since its introduction in 2001.

For a brownfield property to benefit from this tax assistance, it must be within a community improvement project area for which a CIP is in effect. The CIP must contain provisions with respect to said tax assistance. Safeguards must also be put in place in the CIP to ensure that the tax assistance provided does not exceed 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, and that the total grant made under Section 28(7) of the Planning Act and the tax assistance provided under Section 365.1 of the Municipal Act, 2001 does not exceed the eligible cost of the community improvement plan with respect to those lands and buildings.

A municipal by-law is then required for properties where this tax assistance is provided and the municipality must make application to the Province for the education property tax assistance through the BFTIP. Certain provincial requirements must be built into these municipal by-laws. These requirements include restricting:

- the amount of tax assistance to the costs of reducing contaminants to permit filing of a record of site condition (RSC); and,
- the amount of matching education property tax assistance to a maximum of three (3) years, except in exceptional circumstances.

In two-tier municipalities, if upper tier tax assistance is to be provided, the upper tier must also approve its participation in the brownfields property tax assistance. For municipalities that offer both brownfields property tax assistance and a tax increment based grant, the tax assistance is provided first, and then the annual tax increment based grant starts to be paid out when the tax assistance ends. The tax assistance is not portable from one landowner to another and it cannot be assigned. Therefore, the tax assistance (both municipal and education) terminates at the date of sale, conveyance, severance or registration of plan of subdivision, whichever comes first. The municipality can convert the municipal tax assistance to a grant program at this time (and some municipalities do permit this), but the lack of portability of the education tax assistance...
component, along with the three year maximum on education property tax assistance, restricts the potential effectiveness of the education tax assistance tool. Still, a tax assistance program may offer benefits for properties which increase substantially in assessed value after remediation/redevelopment, or properties which already have a high value prior to remediation/redevelopment if the municipality is financially willing and able to actually cancel existing property taxes on these properties.

All of the Ontario municipalities in the comparison that offer brownfields property tax assistance. Eligible costs include the costs of any action taken to reduce the concentration of contaminants on, in or under the property to permit an RSC to be filed. This includes the cost of environmental studies not covered by the environmental study grants, environmental remediation, site monitoring and risk management, filing of an RSC and/or Certificate of Property Use, and environmental insurance premiums. While most of the Ontario municipalities typically match the 3 years of property tax assistance provided by the Province, some, such as Cornwall, Niagara Falls and the municipalities in Waterloo extend the municipal share of the property tax assistance to 5 years. Most Ontario municipalities that have a brownfields property tax assistance program just freeze property taxes on a brownfield site at the pre-development amount for the 3/5 years, and continue to collect the pre-development property taxes for this period. However, some municipalities, such as Cornwall, Guelph and Kingston actually cancel all property taxes for the 3 year period. While most brownfield sites do not generate substantial property taxes, this approach can be beneficial on large brownfield sites that have existing buildings where existing property taxes are a significant impediment to redevelopment.

D.2.7 Tax Increment Grant (TIG) Programs

Numerous U.S. municipalities have successfully used tax increment financing (TIF) to promote the redevelopment of brownfield properties. Simply defined, TIF utilizes the difference between the total future tax payable and current tax payable, i.e., the tax increment generated by the redevelopment, to pay for the specific costs associated with the redevelopment.

In Ontario, municipalities utilize a variation of TIF known as tax increment based grants or tax increment grant (TIG). Instead of the municipality retaining the future tax increase when a brownfield property is remediated and redeveloped, it returns part or all of that increase to the owner/developer in the form of an annual “pay-as-you-go” grant for a specified period of time after the property has been remediated and redeveloped. This annual grant is based on a percentage of the tax increment generated by the project. This grant can include simply the cost of environmental assessment and remediation as eligible costs, or it can include other costs such as demolition, building rehabilitation, infrastructure upgrading, or even new construction.

The underlying principle of a TIG is that without offering the program, the brownfield redevelopment project would not take place. Therefore, the municipality is generating a property tax increase that would not otherwise take place, and simply returning part or all of that property tax increase to the developer in the form of a grant. Therefore, there is no net impact on the general property tax levy for a TIG program and the TIG is simply a flow-through item. But, the municipality may wish to include the increased property tax revenues and grant expenditures for accounting purposes. Most of the municipalities in the comparison offer their annual TIG programs for up to 10 years, i.e., 10 annual grant payments or equivalent. Edmonton offers theirs for 6 years and Ottawa for 5 years.

In terms of the level of the TIG, most of the municipalities use a constant percentage rate rather than a sliding scale. Cornwall is the only municipality that uses a sliding scale with the annual grant equal to 80% of the tax increment (TI) in years 1 and 2, 70% of the TI in years 3 and 4, 60% of the TI in years 5 and 6, 50% of the TI in years 7 and 8, and 40% of the TI in years 9 and 10. Waterloo municipalities offer the most competitive TI
based grant at 100% of the TI for 10 years. Guelph, Kingston, Hamilton and Niagara Falls offer their TIG at 80% of the TI for 10 years. However, the City of Niagara Falls offers its 80% TIG for 10 years only in its highest priority brownfield area (Area 1), which is a 200+ acre area of brownfields just north of its historic downtown. This TIG is offered for only 7 years in the rest of the urban area. It should also be noted that Niagara Falls is the only municipality that offers a TIG for properties that do not require brownfield remediation, sometimes referred to as “greyfields”. However, the 80% TIG for greyfields in Niagara Falls is offered only for 5 years, and only in the 2 highest priority brownfield areas. Ottawa offers a TIG equal to 85% of the TI, but only for 5 years. This is a recent change from their previous 50% TIG for 10 years.

In terms of eligible brownfield costs permitted under the TIG programs, virtually all of the municipalities include the full costs of: environmental studies not covered by environmental study grants, remediation, including costs to excavate, haul and dispose of contaminated soils, or in-situ or ex-situ treatment of contaminated soils, groundwater treatment, the supply, grading and compaction of clean fill to replace contaminated soils removed from the site, site monitoring and management measures, and environmental insurance. Some of the municipalities also include part or all of the non-environmental costs that can be typically associated with the redevelopment of brownfield sites. This includes the cost of building rehabilitation, building demolition, and the cost of upgrading or replacing on-site and off-site public infrastructure. For example, in Cornwall, at the discretion of Council, up to 100% of building demolition and on-site and off-site infrastructure upgrading costs can be considered TIG eligible costs. Niagara Falls also considers 100% of the costs of on-site and off-site infrastructure upgrading eligible for their TIG. Kingston and Ottawa consider 50% of on-site infrastructure upgrading eligible for their TIG, while Hamilton considers only 25% of on-site infrastructure upgrading eligible for their TIG. Guelph, Kingston, Niagara Falls and Hamilton consider 100% of demolition costs eligible for their TIG, while Ottawa considers 50% of demolition costs eligible for their TIG. Niagara Falls considers 100% of building rehabilitation/retrofit costs eligible for their TIG, while Guelph and Ottawa consider 50% of building rehabilitation/retrofit costs eligible for their TIG.

It should be noted that a number of municipalities in Ontario have reduced their allowance (percentage) for demolition and allowable on-site and off-site infrastructure upgrading eligible costs in recent years, because in some cases, these costs have begun to form a large percentage of approved brownfield TIGs, i.e., the demolition and/or infrastructure upgrading costs have been larger than the remediation costs. This is what led the City of Ottawa to specify that demolition, building rehabilitation and on-site infrastructure upgrading costs all together cannot exceed 15% of the total TIG eligible costs.

A number of municipalities have also introduced LEED certification and increase material/construction costs required to achieve LEED certification as TIG eligible costs. These municipalities include Guelph, Kingston, Hamilton, Ottawa and Edmonton. A few Ontario municipalities have included other costs associated with brownfield redevelopment such as planning fees, legal fees, and financing fees for environmental remediation as TIG eligible costs. For example, in Waterloo, the Joint Lower-Tier/Region TIG includes an allowance for such indirect remediation costs of 10% of eligible remediation costs. These indirect costs can include planning fees, legal fees, and financing fees associated with remediation. Finally, a few of the municipalities, including Hamilton and Cornwall, formally dedicate the retained portion of the annual TI generated by the brownfield redevelopment project to a special brownfield reserve account for use by the municipality for environmental study and brownfield redevelopment on its own properties or to fund pilot brownfield remediation/redevelopment projects or public-private brownfield redevelopment partnerships. In Hamilton and other municipalities, it has been demonstrated that the retained portion of the TI can generate significant funds over time as more and more brownfield properties participate in the TIG program. However, it has also been noted that as these brownfield TIG programs mature, the retained portion of the TI is not always used for brownfield redevelopment purposes and/or the retained portion of the TI is eventually redirected to general revenues.
Based on the comparison of municipal programs, for a brownfields TIG to be effective, it should be offered for a longer period of time, say 10 years or more, and should be calculated using a significant constant percentage of the TI generated by the project, e.g., 70% to 100%. Also, in two-tier municipalities, it is critical that the upper tier municipality also participate in the TIG. Without the upper tier contribution to a brownfield TIG, it is unlikely that such a TIG will be attractive enough to induce brownfield redevelopment projects.

Regardless of how the grant is paid (upfront or pay-as-you-go) or how many years the grant is provided, in no case, can the total grant made under Section 28(7) of the Planning Act and the tax assistance provided under Section 365.1 of the Municipal Act, 2001 exceed the eligible cost of the community improvement plan with respect to those lands and buildings. The tax assistance provided cannot exceed 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.

Cornwall is the only municipality in the comparison that offers a discounted tipping fee at its own landfill. This is not a common practice and only a handful of municipalities in Ontario offer discounted tipping fees at their municipally owned landfills for contaminated soils. Rather, most municipalities in Ontario simply include the cost of tipping fees as an eligible cost of environmental remediation in their tax increment based grant programs.

While some of the municipalities in the comparison may not initially have utilized formal agreements to govern their TIGs, all the municipalities now require the applicant to enter into an agreement with the municipality specifying the terms of the funding assistance, obligations of the municipality and the owner, and defaults and remedies. The development and use of these agreements between the municipality and the applicant is critical to the success of the TIG programs and is needed to minimize financial and legal risks to the municipality. Furthermore, review of the standard tax TIG agreements utilized by several of the municipalities in the comparison show these agreements to be similar. These agreements should only be modified to suit the particulars of each application, e.g., a multi-phase brownfield redevelopment project versus a smaller single phase project.

Municipalities providing financial incentives to promote brownfield redevelopment must eventually address the issue of whether or not to provide funding to polluting owners. The “polluter pays” principle suggests that polluting owners should pay for the cleanup. An extension of this principle to financial incentives suggests that polluting owners should not be permitted to access any government funding for the purpose of environmental remediation. Most Ontario municipalities in fact follow this principle and do not provide TIGs or other major funding to polluting owners of brownfield sites. This is also the case in most U.S. jurisdictions (state and municipal). It is preferable from an environmental justice perspective for municipalities not to provide grants or other major remediation funding to polluting owners. However, in certain situations where the benefits of the brownfield redevelopment project are very significant and there is no alternative, municipal councils may wish to reserve the right to provide financial incentives to polluting owners. For this purpose, municipalities may wish to differentiate between polluting owners who knowingly contaminated their properties and polluting owners who were merely operating under the environmental standards in place at the time.

Similarly, there is the question of whether or not environmental study grants should be given to polluting owners. Again, the issue is not a simple one because it is often difficult to determine which owner(s) actually polluted the site. Because the detailed environmental site information is so crucial to initiating brownfield redevelopment, consideration should be given to providing a study grant to a polluting owner only where there is potentially a bona fide arm’s length purchaser wishing to redevelop the site.
D.2.8 Development Charge Reduction Programs

Three of the 8 municipalities in the comparison (Hamilton, Niagara Falls/Niagara Region, and Waterloo Region) offer a development charge reduction on contaminated sites that are remediated and redeveloped, while Ottawa offers a development charge deferral. The City of Hamilton allows the eligible costs of environmental studies, remediation and LEED certification approved under their TIG program to be applied against City development charges (DC) for the brownfield redevelopment project. If the applicant elects this option, all eligible costs approved under the TIG that are applied against development charges payable are deducted from the TIG to be paid. In Hamilton, the entire DC payable can be wiped out by the application of eligible costs approved under the TIG, while the City of Niagara Falls allows application of eligible costs approved under the TIG up to 75% of the City DC payable. Ottawa offers a two year deferral of DC payable based on eligible environmental study, remediation and LEED certification costs up to a 50% deferral in priority brownfield areas and a 25% deferral in non-priority brownfield areas. Again, this change in Ottawa from a DC reduction to a DC deferral took place in late 2015 and was in response to escalating development charge reductions associated with approved brownfield rehabilitation grants. Development charge reductions on larger brownfield redevelopment projects can often be into the millions of dollars.

It should be noted that both the Region of Niagara and Region of Waterloo offer their own Brownfield DC Reduction Programs. In Niagara, if the brownfield project is located within a Central Area Community Improvement Project Area, e.g., Downtown Niagara Falls, there is an automatic 75% Regional DC Reduction. If the brownfield project is located outside a Central Area Community Improvement Project Area, there is an automatic 50% Regional DC Reduction. An additional 25% or 50% Regional DC Reduction can be obtained if the applicant can demonstrate the inclusion of the requisite number of Niagara Smart Growth Design principles into the proposed development. Separate application has to be made for this Smart Growth component of the Regional DC Reduction to the Region of Niagara. The initial 75% or 50% Regional DC reduction (depending on location) is applied at the time of building permit issuance, with the developer paying the balance of Regional DCs payable at that time. The Region then inspects the as-built project to determine if the applicant has complied with the requisite Smart Growth Design Criteria (see Appendix B for a sample), and if so, then provides a grant equal to the additional 25% or 50% Regional Smart Growth DC Reduction. In Niagara, the Regional DC Reduction amount was not traditionally deducted from the Joint TIG offered by Niagara and its local municipalities. However, the Region of Niagara has now revised its administration of this program and has indicated that if the local municipality deducts its DC reduction from its share of the TIG, the Region will do the same.

In Waterloo, the Region’s DC Reduction (Exemption) Program allows the direct remediation costs (plus predetermined 20% indirect remediation costs) to be applied against Regional DCs payable, up to 100% of the Regional DCs payable. This reduction can be applied at the time of building permit issuance if the applicant has filed and RSC and provides their remediation expense invoices well in advance of the building permit issuance to allow time for review and approval of the expenses. Otherwise, Regional development charges must be paid in full at the time of building permit issuance and then a grant will be provided once the remediation expense invoices have been audited and approved. The joint Local Municipality/Waterloo Region TIG is then reduced by the amount of any Regional DC Reduction. The use of a DC Reduction Program is a very powerful incentive tool for promoting brownfield redevelopment and a number of the leading municipalities in Ontario with respect to brownfield redevelopment (both lower and upper tier) offer some form of DC reduction. Representatives from several of the municipalities using the DC reduction tool such as the Region of Waterloo and Hamilton, along with a number of major developers of brownfield sites have indicated that this particular incentive is the single most attractive and effective incentive program to promote brownfield redevelopment. As opposed to TIGs, which are paid out over a number of
years after project completion, a DC reduction offers an up-front cost savings to the developer because development charges are paid at the building permit stage, or at the latest, upon project completion. Development charge deferral programs, while they can save significant financing costs on large brownfield redevelopment projects, are not nearly as effective as DC reduction programs.

Furthermore, most of the municipalities with DC Reduction Programs have chosen to address the fiscal challenge of providing DC reductions by deducting the amount of the DC reduction from any TIG provided to the applicant. Therefore, over time, the municipality will eventually collect the amount of the DC reduction in the form of increased property taxes rather than returning this increase in property taxes to the developer in the form of a TIG. This increase in property taxes collected and retained by the municipality can be used to help offset or eliminate the shortfall in capital cost recovery from the DC reduction for brownfields.

D.2.9 Remediation Loan

The only municipality in the comparison that offers a loan for remediation is the City of Hamilton. This program was introduced by the City of Hamilton in 2010 through amendment to its ERASE CIP. This program a low interest loan (1% below prime) for the remediation of brownfield properties being developed/redeveloped for residential or residential/commercial use within Downtown Hamilton and the West Harbourfront. The low interest loan is equal to 80% of the cost of remediating a property to a maximum of $400,000 per property/project. The original maximum amount was $100,000, but this was increased to $400,000 because it was found that $100,000 was too low to complete most remediation projects in this area.

This program is obviously designed to provide some financial assistance early in the brownfield redevelopment process, i.e., to help finance the remediation and act as a bridge until property owners receive their ERASE Redevelopment Grant payments. The loan is provided to the successful applicant in progress payments based on 80% of the actual qualifying remediation costs incurred. Such progress payments will be advanced within 30 days of submission of the property owner’s request for a loan draw. There is a limit of six draws, spaced no less than 30 days apart. The annual interest rate on the loan is 1% below the prime rate as established by the Royal Bank of Canada. Such rate shall be established at the time the first instalment of the loan is advanced by the City and reset annually on the anniversary date of the first advance. The applicant has the option of repaying the loan through the assignment of TIG payments under the City’s ERASE Redevelopment Grant Program against the loan. In the event that the full 10 year grant amount is not sufficient to repay the loan in its entirety, supplemental payments from the applicant will be required. The loan, together with interest can be prepaid in full by the owner without notice, penalty or bonus at any time. To date, only a few applications have been approved under this loan program by the City of Hamilton and it is not clear that this program is entirely necessary based on the other brownfield redevelopment incentive program and other incentive programs available from the City of Hamilton in the Downtown Hamilton and the West Harbourfront Area.

D.2.10 Planning and Building Permit Fees Grant Programs

Only two the 8 municipalities in the comparison offer planning and building permit fee grants or rebates to promote brownfield redevelopment. The City of Cornwall offers a grant equal to 100% of the planning and building permit fees paid on a brownfield redevelopment project. The City of Ottawa offers a grant equal to 30% of the building permit fee, but only for brownfield redevelopment projects in its priority brownfield area. Planning and building permit fee grants or rebates by themselves do not appear to be significant inducements. The building permit fee component is likely the only significant incentive on large developments. However, the municipality should keep in mind that even if the building permit fee is waived or granted back, the building department must still conduct the review of the application and inspections. While
intended as an "extra" inducement on brownfield sites, with the exception of building permit fees on large projects, planning fee rebates become virtually an afterthought when compared to potential remediation and demolition costs. Fee rebate programs can also be cumbersome to administer. Therefore, planning and building permit fee rebates are not needed or recommended to promote brownfield redevelopment.

D.2.11 Payment in Lieu of Parkland Dedication Grant Program

Only one municipality of the 8 compared offers a Payment in Lieu of Parkland Dedication Grant. The City of Cornwall offers a grant at the subdivision stage that is equal to the parkland dedication fees paid by the applicant on a brownfield redevelopment project. However, this grant is offered only on brownfield sites where land dedication is not feasible, preference is given to key brownfield sites identified by the City, and the grant is entirely at the discretion of Council. On some large brownfield sites, the payment in lieu of parkland dedication can be very significant. Therefore, in theory, this type of grant could be very attractive to a developer considering a brownfield site. On the other hand, this type of grant really has no relationship to the remediation or other brownfield related costs of a brownfield redevelopment. Providing this type of grant could also directly impact the ability of the municipality to provide much needed parkland. This is a particularly important consideration where the brownfield redevelopment project is increasing the residential density of the site, e.g., conversion or redevelopment of a former industrial use to a residential use.
Attachment 2
Summary of Municipal Brownfield Redevelopment Incentive Programs
City of Cornwall, Ontario

**Brownfields CIP Adopted:** 2005, revised several times since 2005.

**Geographic Coverage:** Brownfields Strategy Community Improvement Policy Area – captures most of the City’s “urban” land, with the exception of a number of stable residential neighbourhoods and future development areas within the City’s new Industrial Park.
<table>
<thead>
<tr>
<th>Program Name</th>
<th>Eligible Costs</th>
<th>Type and Amount</th>
<th>Program Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Environmental Site Assessment (ESA) Grant</td>
<td>Phase II ESA, Risk Assessment, Remedial Work Plan (RWP)</td>
<td>Grant = 50% of cost of study to maximum grant of $15,000</td>
<td>Maximum grant assistance to individual applicant (all sites) = $45,000. Preference may be given to key brownfield sites identified by City.</td>
</tr>
<tr>
<td>2) Project Design Study Grant</td>
<td>Development Feasibility Study and Design Work – available only to recipients of ESA Grant</td>
<td>Grant = 50% of cost of feasibility study to maximum grant of $7,500</td>
<td>Maximum grant assistance to individual applicant (all sites) = $42,500</td>
</tr>
<tr>
<td>3) Brownfields Property Tax Cancellation Assistance Program</td>
<td>Phase II ESA, Risk Assessment, RWP, environmental remediation, clean fill, grading and compaction to replace contaminated soils, filing of RSC, Certificate of Property Use (CPU), cost of environmental insurance, site monitoring, and risk management measures. At the discretion of Council, demolition, and on-site infrastructure works triggered by existence of contamination and requirement for remediation (only for municipal portion of tax assistance).</td>
<td>Cancellation of 100% of municipal and education property tax increase up to maximum 3 years for education portion and 5 years for City portion.</td>
<td></td>
</tr>
<tr>
<td>4) Brownfield Rehabilitation Grant (Tax Based)</td>
<td>Phase II ESA, Risk Assessment, RWP, environmental remediation, clean fill, grading and compaction to replace contaminated soils, filing of RSC, CPU, cost of environmental insurance, site monitoring, and risk management measures. At the discretion of Council, demolition, and improvement or reconstruction of off-site infrastructure works (water, sanitary and storm)</td>
<td>Tax Increment (TI) Based Grant. For residential development, Annual Grant = 100% of TI for up to 10 years or up to repayment of eligible costs. For non-residential development, Annual Grant = sliding scale with 80% of TI in years 1 and 2, 70% of TI in years 3 and 4, 60% of TI in years 5 and 6, 50% of TI in years 7 and 8, and 40% of TI in years 9 and 10, or up to repayment of eligible costs.</td>
<td>Portion of TI retained by City used to fund other brownfield initiatives. Focus of program is on key brownfield sites identified by City.</td>
</tr>
<tr>
<td>5) Discretionary Municipal Tipping Fees Grant</td>
<td>Tipping fees for non-hazardous material at the municipal landfill. Other non-hazardous soil treatment facilities or non-hazardous landfill sites may also be considered.</td>
<td>Grant at discretion of Council. Grant = up to 50% of cost of tipping fees. No maximum specified.</td>
<td>A Guideline for delivery of soils to Landfill Site is provided.</td>
</tr>
<tr>
<td>Program Name</td>
<td>Eligible Costs</td>
<td>Type and Amount</td>
<td>Program Notes</td>
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<tr>
<td>6) Municipal Planning/Development Fees Grant</td>
<td>Official Plan Amendment (OPA), Zoning By-Law Amendment (ZBA), Site Plan, Consent/Minor Variance, Plan of Subdivision/Condominium, Building Permit Fee</td>
<td>No maximum specified.</td>
<td></td>
</tr>
<tr>
<td>7) Payment-in-Lieu of Parkland Dedication Program</td>
<td>Parkland dedication fees of 2% for industrial/commercial and 5% for residential and other.</td>
<td>Grant at discretion of Council. Grant of fees paid at subdivision approval stage.</td>
<td>Preference given to key brownfield sites identified by City.</td>
</tr>
</tbody>
</table>

**General Comments:**

Applications are evaluated by the Cornwall Brownfields Strategy Evaluation Committee (made up of general managers of several departments (Planning, Public Works, Finance, Economic Development), one member of Council and three community group members. Projects are required to demonstrate a “significant leveraging” of private sector investment as a result of public sector assistance, but this is not defined. The Cornwall Program is very robust and Council has a significant amount of discretion with respect to eligible costs and grant amounts approved. The Rehabilitation Grant Program has been used to approve a few very large projects with grants provided by the municipality in the millions.
City of Guelph, Ontario

**Brownfields CIP Adopted:** 2004, updated in 2012.

**Geographic Coverage:** All land within the municipal boundaries of the City of Guelph.

**Incentive Programs Offered:**

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Eligible Costs</th>
<th>Type and Amount</th>
<th>Program Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Environmental Study Grant</td>
<td>Phase II ESA, RWP, Designated Substances and Hazardous Materials Survey, Risk</td>
<td>Grant = 50% of cost of study to maximum grant of $15,000. Maximum of 2 studies</td>
<td>Cancellation of municipal and education property tax increase for up to 3 years.</td>
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<tr>
<td></td>
<td>Assessment and Risk Management Plan</td>
<td>per property/project and maximum grant of $30,000 per property/project.</td>
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</tr>
<tr>
<td>2) Brownfields Property Tax Assistance Program</td>
<td>Phase II ESA, Designated Substances and Hazardous Materials Survey, RWP, Risk Assessment and Risk Management Plan, environmental remediation, clean fill, grading and compaction to replace contaminated soils, filing of RSC, CPU, environmental insurance, site monitoring and risk management measures.</td>
<td>Cancellation of municipal and education property tax increase for up to 3 years.</td>
<td></td>
</tr>
<tr>
<td>3) Tax Increment Based Grant (TIBG)</td>
<td>Same as 2) above, plus costs of: i) demolishing buildings; ii) 50% of building rehabilitation works; and, iii) achieving any level of LEED Certification including: a) base plan review by certified LEED accredited professional; b) preparing working drawings to LEED standard; c) submitting and administering constructed element testing and certification used to determine LEED designation; d) increase in material/construction cost of LEED components over standard building code or City requirements.</td>
<td>T1 Based Annual Grant = 80% of T1 for up to 10 years or up to repayment of eligible costs.</td>
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</table>
City of Kingston, Ontario

Brownfields CIP Adopted: 2005, revised in 2006 and 2013. Revisions twice expanded the project area and included some housekeeping amendments.

Geographic Coverage: Three distinct project areas. Project Area 1A comprises the Old Industrial Area of the former City of Kingston, the lands along the Inner Harbour of the Great Cataraqui River, and a portion of the downtown, including a four-and-a-half block area known as the North Block Central Business District. Project Area 1B includes the property between Lake Ontario and Ontario Street known as Block ‘D’, as well as a few other parcels of land to the north-west of Ontario Street. Project Area 1C comprises the Williamsville Main Street Area along both sides of Princess Street between Division Street and the Bath Road/Concession Street intersection.
Incentive Programs Offered:

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Eligible Costs</th>
<th>Type and Amount</th>
<th>Program Notes</th>
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</thead>
<tbody>
<tr>
<td>1) Initial Study Grant</td>
<td>Phase II ESA, Risk Assessment, RWP,</td>
<td>Grant = 50% of cost of study to a maximum of 2 studies per property and maximum grant of $20,000 per property.</td>
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<tr>
<td>2) Brownfields Financial Tax Incentive (BFTIP) -- same as Tax Assistance</td>
<td>Phase II ESA, Risk Assessment, RWP, environmental remediation, clean fill, grading and compaction to replace contaminated soils, filing of RSC, CPU, environmental insurance, cost of financing (interest charges) of preparing the studies and undertaking the environmental remediation.</td>
<td>Cancellation of municipal and education property taxes (not just the increase) for up to 3 years.</td>
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<tr>
<td>3) Tax Increment Based Rehabilitation Grant (TIBRG)</td>
<td>Same as 2) above, plus cost of:</td>
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<td></td>
<td>i) Building demolition;</td>
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<td></td>
<td>ii) Environmental monitoring and management measures;</td>
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<td></td>
<td>iii) 50% of constructing/improving on-site infrastructure (water, sanitary, storm, gas, hydro and communication utilities);</td>
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<td>iv) Legal costs for brownfield related agreements and the RSC;</td>
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<td>v) MPAC estimate of assessment value;</td>
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<td></td>
<td>vi) Achieving any level of LEED Certification including:</td>
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<td></td>
<td>a) base plan review by certified LEED accredited professional;</td>
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<td>b) preparing working drawings to LEED standard;</td>
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<td></td>
<td>c) submitting and administering constructed element testing and certification used to determine LEED designation;</td>
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<td>TIB Based Annual Grant = 80% of TIB for up to 10 years or up to repayment of eligible costs.</td>
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City of Hamilton, Ontario


Geographic Coverage: The municipality’s entire urban area with four distinct sub-areas, including 1 Rest of Urban Area, 2 Older Industrial Area, 3 West Harbour Area, and 4 Downtown CIP Area.
## Incentive Programs Offered:

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Eligible Costs</th>
<th>Type and Amount</th>
<th>Program Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Environmental Study Grant (SGP)</td>
<td>Phase II ESA, RWP, Risk Assessment.</td>
<td>Grant = 50% of cost of study to maximum grant of $20,000 per study. Maximum of 2 studies per property/project and maximum grant of $25,000 per property/project.</td>
<td></td>
</tr>
<tr>
<td>2) ERASE Tax Assistance Program</td>
<td>Phase II ESA, RWP, Risk Assessment, environmental remediation, filing of RSC, site monitoring and risk management measures.</td>
<td>Cancellation of 80% of the municipal and education property tax increase for up to 3 years.</td>
<td>Portion of Tax Assistance retained by City is used to fund the ERASE Municipal Acquisition and Partnership Program (MAPP).</td>
</tr>
<tr>
<td>3) ERASE Redevelopment Grant (RGP)</td>
<td>Same as 2) above, plus: i) 50% of costs of achieving any level of LEED Certification including: a) consultation costs; b) energy modelling; c) certification fees; d) increase in material/construction cost of LEED components over standard building code or City requirements; ii) demolition costs (Areas 2 and 3 only); iii) removal of existing on-site infrastructure prior to replacement up to a maximum of 25% of construction/improvement costs for of on-site public works (water services, sanitary sewers and storm sewers) (Areas 2 and 3 only); iv) Certain relocation/removal costs for existing and operating industrial manufacturing and transportation uses, where such costs relate to or contribute directly to the actual remediation and rehabilitation of the site (Area 3 only).</td>
<td>TI Based Grant Annual Grant = 80% of TI for up to 10 years or up to repayment of eligible costs.</td>
<td>Portion of TI retained by City is used to fund the ERASE MAPP.</td>
</tr>
<tr>
<td>Program Name</td>
<td>Eligible Costs</td>
<td>Type and Amount</td>
<td>Program Notes</td>
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<tr>
<td>4) ERASE Development Charge Reduction</td>
<td>The applicant with an approved ERASE RGP will have the option of applying the eligible costs in 2) and 3i) above against development charges payable (after any demolition charge credits are applied). If applicant chooses to exercise this option, eligible costs in 2) and 3i) applied against development charges payable will be deducted from eligible costs under the ERASE RGP. Residential development in Area 2 is not eligible for this program unless it is a conversion from a former industrial/commercial use. Industrial development in Area 3 is not eligible for this program.</td>
<td>Eligible environmental study, remediation and LEED certification costs as per RGP can be deducted from City development charges payable. Offsets the Redevelopment Grant.</td>
<td>Program provides option to developer to take certain eligible costs as a DC reduction or a TIG.</td>
</tr>
<tr>
<td>5) Downtown Hamilton/West Harbourfront Remediation Loan Program</td>
<td>As in 2) above.</td>
<td>Low interest rate loan (1% below prime) = 80% of cost of remediation of properties being developed or redeveloped for residential or commercial use only in Area 4. Maximum loan = $400,000 per property/project. Loan can be repaid through assignment by applicant of grant payments under the ERASE RGP back to City.</td>
<td>Loan acts as a bridge until the property owner receives their ERASE RGP or Hamilton Downtown Property Improvement Grant.</td>
</tr>
</tbody>
</table>

**General Comments:**

This program has been very successful since inception and continues to be well utilized. A total of 143 Study Grant applications have been approved since 2001 for a total Study Grant amount approved of approximately $1,360,200 allowing the environmental study of approximately 397 acres (160.5 ha.) of land. A total of 40 Redevelopment Grant Applications have been approved since 2001 for a total Redevelopment Grant amount of approximately $30,083,850. This has resulted in the remediation and redevelopment of approximately 250 acres (101.2 ha.), total construction expenditure of approximately $305,304,525, and construction of 1,138 new residential units, 2,169,570 sq.ft. of industrial/commercial space, and the creation of 680 jobs. The ERASE Programs are currently being reviewed by the City.
Niagara Falls - City of Niagara Falls, and Region of Niagara

N.B. Several of the lower-tier municipalities in Niagara have Brownfield CIPs similar to Niagara Falls and partner with the Region of Niagara to offer brownfield redevelopment incentive programs.

Geographic Coverage: The municipality's entire urban area, with three distinct sub-areas, including Area 1 - Pilot Project Area, Area 2 - Other General Areas for Community Improvement, and Area 3 - Rest of Urban Area.
<table>
<thead>
<tr>
<th>Program Name</th>
<th>Eligible Costs</th>
<th>Type and Amount</th>
<th>Program Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Environmental Study Grant</td>
<td>Phase II ESA, RWP, Risk Assessment/Risk Management Plans.</td>
<td>Grant = 50% of cost of study to maximum grant of $12,500 per study. Maximum of 2 studies per property/project and maximum grant of $20,000 per property/project.</td>
<td></td>
</tr>
<tr>
<td>2) Brownfields Tax Assistance Program</td>
<td>Phase II ESA, RWP, Risk Assessment/Risk Management Plans, environmental remediation, clean fill, grading and compaction to replace contaminated soils, filing of RSC, site monitoring and risk management measures, environmental insurance.</td>
<td>Cancellation of 100% of municipal and education property tax increase up to maximum 3 years for education portion and 5 years for City portion.</td>
<td></td>
</tr>
<tr>
<td>3) Brownfields Rehabilitation Grant</td>
<td>Same as 2) above, plus: i) demolishing buildings; ii) building rehabilitation and retrofit works; iii) upgrading on-site infrastructure (water, sanitary and stormwater management facilities; iv) constructing/upgrading off-site infrastructure including roads, water services, sanitary sewers, stormwater management facilities, electrical and gas utilities, where required to permit remediation, rehabilitation and/or adaptive reuse of the property.</td>
<td>TI Based Annual Grant = 80% of municipal TI (includes City and Regional portion) for up to 10 years or up to repayment of eligible costs. Eligible costs and duration of Grant depends on sub-area where project is located and whether or not the property requires environmental remediation. If property requires environmental remediation, all costs as per 2) and 3) are eligible, and duration of grant is as follows: Area 1 = up to 10 years; Area 2 = up to 7 years; Area 3 = up to 7 years. If property does not require environmental remediation, only 3i) - 3iv) are eligible, and duration of grant is as follows: Area 1 = up to 5 years; Area 2 = up to 5 years; Area 3 = No grant available.</td>
<td>Region TI component matches the lower tier municipality.</td>
</tr>
<tr>
<td>Program Name</td>
<td>Eligible Costs</td>
<td>Type and Amount</td>
<td>Program Notes</td>
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<tr>
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<tr>
<td>4) Development Charge Reduction</td>
<td>The applicant with an approved Brownfields Rehabilitation Grant will have the option of applying the eligible costs in 2) above against development charges payable (after any demolition charge credits are applied) up to 75% of the City development charge payable. If applicant chooses to exercise this option, eligible costs in 2) applied against development charges payable will be deducted from eligible costs under the Brownfields rehabilitation Grant. An additional 25% City development charge reduction will be provided if the applicant can demonstrate the inclusion of the requisite number of Regional Smart Growth Design principles into the proposed development.</td>
<td>Eligible environmental study and remediation certification costs as per the Brownfields Rehabilitation Grant can be deducted from City development charges payable. Offsets the Redevelopment Grant. The Region of Niagara also offers a Development Charge Reduction Program for Brownfields. If the brownfield project is located within a Central Area Community Improvement Project Area, there is an automatic 75% Regional DC Reduction. If the brownfield project is located outside a Central Area Community Improvement Project Area, there is an automatic 50% Regional DC Reduction. An additional 25% or 50% Regional DC Reduction can be obtained if the applicant can demonstrate the inclusion of the requisite number of <strong>Smart Growth Design principles</strong> into the proposed development.</td>
<td>The Region of Niagara reviews and evaluates the Smart Growth Design applications. The Region of Niagara has developed Smart Growth Design Criteria for several different types of land uses. The Smart Growth Design Criteria for Development of Five or More Storeys is attached as <strong>Attachment 3</strong>. Brownfield redevelopment projects must include at least 5 of the 8 Smart Growth Design Criteria in order to obtain the additional 25% or 50% Regional DC Reduction.</td>
</tr>
</tbody>
</table>

**General Comments:**

The Region of Niagara implemented its Smarter Niagara Incentive Programs in 2003, updated the programs in 2012, and introduced enhanced Smart Growth Design Criteria for their DC Reduction Program in 2015. The Region of Niagara has recently begun a review of both its Smarter Niagara Incentive Programs and DC Reduction Program. Over the last few years, the Region of Niagara has shown an increasing interest in evaluating local brownfield redevelopment incentive and other joint TI applications to ensure they meet Regional goals and interests.
City of Ottawa, Ontario

**Brownfield CIP Adopted:** 2007, revised in 2010 and in 2015.

**Geographic Coverage:** The entire Urban Area and the areas designated “Village” in the City of Ottawa Official Plan. The Brownfields CIP places the highest priority for brownfield redevelopment in the Central Area, Mixed Use Centres, along Mainstreets and within 600 metres of existing or planned rapid transit stations. This area is known as the “Priority Area”.

**Incentive Programs Offered:**

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Eligible Costs</th>
<th>Type and Amount</th>
<th>Program Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Project Feasibility Study Grant</td>
<td>Structural analyses, evaluation of mechanical and electrical systems, concept plans, market analyses, any other feasibility study as approved by the City</td>
<td>Grant = 50% of cost of feasibility study to maximum grant of $5,000.</td>
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</tr>
<tr>
<td>2) Environmental Site Assessment (ESA) Grant</td>
<td>Phase II ESA, Risk Assessment, Remedial Work Plan (RWP)</td>
<td>Grant = 50% of cost of study to maximum grant of $15,000 per study. Maximum of 2 studies per property/project and maximum grant of $25,000 per property/project.</td>
<td></td>
</tr>
<tr>
<td>3) Property Tax Assistance Program</td>
<td>Phase II ESA, Risk Assessment, RWP, environmental remediation, clean fill, grading and compaction to replace contaminated soils, filing of RSC, cost of environmental insurance, site monitoring, and risk management measures.</td>
<td>Cancellation of 100% of municipal and education property tax increase up to maximum 3 years.</td>
<td>Available only for properties in the Priority Area</td>
</tr>
<tr>
<td>4) Rehabilitation Grant</td>
<td>As in 3) above, plus: i) the following LEED Program Components: a) base plan review by certified LEED consultant; b) preparing new working drawings to LEED standard; c) submitting and administering the constructed element testing and certification used to determine LEED designation; ii) 50% of cost of demolishing buildings; iii) 50% of cost of building rehabilitation and retrofit works; iv) 50% of cost of upgrading on-site infrastructure including water services, sanitary sewers and stormwater management facilities.</td>
<td>TI Based Annual Grant = 85% of TI for up to 5 years or up to repayment of eligible costs. Eligible cost items 3ii) to 3iv) cannot exceed 15% of total eligible costs.</td>
<td>Eligible demolition, building rehabilitation and on-site infrastructure costs reduced from 100% to 50% in 2010 and 2015.</td>
</tr>
<tr>
<td><strong>Program Name</strong></td>
<td><strong>Eligible Costs</strong></td>
<td><strong>Type and Amount</strong></td>
<td><strong>Program Notes</strong></td>
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<tr>
<td>5) Development Charge Deferral</td>
<td>Tipping fees for non-hazardous material at the municipal landfill. Other non-hazardous soil treatment facilities or non-hazardous landfill sites may also be considered.</td>
<td>Eligible cost items 3 and 4) can be applied as a deferral against DCs up to 50% DC Deferral for projects in Priority Areas, and up to 25% DC Deferral for projects in Non-Priority Areas. DC deferral for 2 years after issuance of building permit or 3 years after approval, whichever comes first, at which time payment of DC must be made.</td>
<td>DC Reduction Program was changed to a DC Deferral Program in 2015.</td>
</tr>
<tr>
<td>6) Building Permit Fee Grant</td>
<td>Building Permit Fee</td>
<td>Grant = 30% of building permit fee in Priority Area. Not available in Non-Priority Area.</td>
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</table>

**General Comments:**

The City of Ottawa has approved several very large grants and has recently made numerous program changes to reduce costs, including a reduction of eligible cost items. This includes limiting the total of all grants, property tax assistance and development charge reduction to 50% of eligible costs.
**Waterloo - Cities of Kitchener, Cambridge and Waterloo, and Region of Waterloo**


**Geographic Coverage:** The entire Urban Area of each municipality.

The three municipalities in Waterloo partner with the Region of Waterloo to offer brownfield redevelopment incentive programs.

**Incentive Programs Offered:**

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Eligible Costs</th>
<th>Type and Amount</th>
<th>Program Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Phase II ESA Study Grant</td>
<td>Phase II ESA, Risk Assessment/Risk Management Plans.</td>
<td>Grant = 50% of cost of study to maximum grant of $40,000 per site.</td>
<td>Program is offered and administered by the Region of Waterloo</td>
</tr>
<tr>
<td>2) Brownfields Tax Assistance</td>
<td></td>
<td>Cancellation of 100% of municipal and education property tax increase up to maximum 3 years for education portion and 5 years for City portion.</td>
<td></td>
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<tr>
<td>Program</td>
<td></td>
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</tr>
<tr>
<td>3) Joint Tax Increment Grant</td>
<td>Direct remediation costs including: Phase I ESA, Phase II ESA, RWP, Risk Assessment/Risk Management Plans, environmental remediation, clean fill, grading and compaction to replace contaminated soils, site monitoring and risk management measures, and building demolition only if related to remediation. Indirect remediation costs to a maximum of 10 % of above-noted eligible direct remediation costs (i.e. planning or legal fees, financing costs associated with remediation, insurance premiums, assessment estimates, preparation and filing of RSC).</td>
<td>TI Based Annual Grant = 100% of municipal TI (includes City and Regional portion) for up to 10 years or up to repayment of eligible costs.</td>
<td>Separate approval of the applications is required from the lower-tier municipality and the Region.</td>
</tr>
<tr>
<td>Program Name</td>
<td>Eligible Costs</td>
<td>Type and Amount</td>
<td>Program Notes</td>
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<tr>
<td>4) Development Charge Exemption</td>
<td>Direct remediation costs including: Phase I ESA, Phase II ESA, RWP, Risk Assessment/Risk Management Plans, environmental remediation, clean fill, grading and compaction to replace contaminated soils, site monitoring and risk management measures, and building demolition only if related to remediation. Indirect remediation costs to a maximum of 20% of above-noted eligible direct remediation costs (i.e., planning or legal fees, financing costs associated with remediation, insurance premiums, assessment estimates, preparation and filing of RSC, audit of invoices).</td>
<td></td>
<td>Program is offered and administered by the Region of Waterloo.</td>
</tr>
</tbody>
</table>

**General Comments:**

The Region of Waterloo assists the lower tier municipalities with administration of the Joint TIG Program. The brownfield redevelopment incentive programs in Waterloo are “back-end” programs, i.e., applicants apply after the remediation has been completed. This aspect has created a number of issues with applicants around documentation and verification of eligible costs. The Region of Waterloo is currently reviewing its brownfield redevelopment incentive programs.
City of Edmonton, Alberta

Program initiated as a pilot in 2006 to deal with contaminated gasoline stations, with limited success. Official program launched in 2011 and retooled in 2014.

Geographic Coverage: The entire Urban Area of each municipality.

The program includes the following eligible costs:

- Environmental consulting fees;
- Environmental remediation;
- Groundwater management and disposal;
- Excavation and handling of clean soil;
- Landfill tipping fees;
- Backfill and compaction of imported fill;
- LEED Silver Certification expenses and other discretionary costs.

The program offers the following grants:

Phase I – 80% of the cost of a Phase I ESA to a maximum grant of $5,000;
Phase II – 80% of the cost of a Phase II ESA to a maximum grant of $80,000;
Phase III – 50% of the cost of remediation (100% if LEED Silver or better) or the net municipal property tax increase (uplift) over 6 years, whichever is less, dispersed in 6 annual grant payments; or,
Phase IV – 80% of the cost of remediation and exposure control (risk management) to a maximum of $200,000.

An applicant may apply for one or more grants for different phases but grants will not be issued for both Phase III and Phase IV of any one project. In other words, each project may be eligible for a Phase III or Phase IV Grant but not both.

The amount of the grants provided for Phase I and Phase II ESAs far exceed similar grants provided by the most progressive municipalities in Ontario or anywhere else in Canada. The Phase III Grant is modest in comparison to brownfield tax increment grants offered by municipalities in Ontario, but there is the ability to increase the grant to 100% if the project achieves at least LEED Silver Certification. With a maximum of $200,000, the Phase IV Grant is likely to benefit smaller and medium sized remediation or risk management projects, but the advantage of this program is that the grant is advanced in installments during the remediation/risk management project instead of the developer having to wait several years to recoup remediation/risk management expenses via an annual tax increment grant payment.
All applications (with the exception of Phase II Grant applications in Community Revitalization Levy (CRL) Zones are reviewed and approved by the City of Edmonton Brownfield Grant Panel. In CRL Zones, the City of Edmonton Brownfield Grant Panel will recommend either approval or refusal of the application to the City of Edmonton Corporate Leadership Team. Annual grant payments for all grants (including all Phase I, II, III and IV Grants) are limited to $5,000,000 per year.

The City also supports its Brownfield Redevelopment Grant Program by providing applicants with an Environmental Site Assessment Guidebook which outlines the City’s Phase I and Phase II ESA reporting requirements, and a Green Building Checklist which all applicants for new construction must complete and submit with their application.

**General Comments:**

The program has been well received since being retooled in 2014.
Attachment 3
Regional Municipality of Niagara Smart Growth Design Criteria for All Development Five or More Storeys
D.3 Employment Area Incentive Programs

A few municipalities in Ontario, starting with Toronto and Sault Ste. Marie in 2008, and followed by several other municipalities (St. Mary’s, Windsor, London and the Region of Niagara) in more recent years have developed and approved CIPs that contain incentive programs specifically designed to promote development and redevelopment of their employment areas for the express purposes of revitalizing or developing these industrial employment areas, job creation, and the diversification of their local economies. The incentive programs contained in these CIPs are typically targeted only to specific employment sectors and/or the availability and value of the incentive is tied to the economic performance of the participating project. This best practices review is not intended as an exhaustive analysis, but the Ontario municipalities selected for this best practices review of employment area incentive programs provide a range of approaches to incentivization of redevelopment of existing employment areas and even the development of newer employment areas, including more recent economic and project performance based techniques.

D.3.1 Sault Ste. Marie Industrial CIP

The Sault Ste. Marie (SSM) Industrial CIP was adopted in June of 2008. The community improvement project area for the SSM Industrial CIP is all industrially zoned lands within the City of Sault Ste. Marie. The goals of this CIP are to:

a) attract new industrial development and employment;
b) further diversify the local economy; and,
c) increase the municipality’s industrial tax base.

The focus of the CIP is on new manufacturing business and investment. The SSM Industrial CIP offers a TIG program called the Industrial CIP Incentive Program that provides a grant equal to 100% of the municipal property tax increase (tax increment) for up to three years resulting from the development or rehabilitation of lands and buildings within the community improvement project area.

There is some basic sectoral targeting of this TIG with the CIP stating that eligible program participants must be primarily involved in technology or the manufacture of goods and materials. Also, the CIP states that a significant total project investment is required, creating or protecting existing jobs during the program excluding jobs solely associated with construction. However, the CIP does not quantify the “significant” total project investment required or the number of jobs that must be created or retained by approved projects.

While the SSM Industrial CIP offers a 100% annual TIG, it is provided only for three years. This is a very short time period and it is highly unlikely that this amount of incentive would sway a business investment, expansion or relocation decision. Therefore, there is a higher likelihood that the TIG in the SSM Industrial CIP will simply subsidize projects that would have taken place anyway in industrially zoned lands within the City of Sault Ste. Marie rather than spur projects that would not have taken place there. Also, the sectoral targeting and performance requirements included in the CIP are vague, and will not likely result in advancing the achievement of the strategic objectives of the SSM Industrial CIP.

D.3.2 City of Toronto City-Wide CIP

The Toronto City-Wide CIP for Brownfield Remediation and Development of Prescribed Employment Uses was adopted by the City of Toronto in May of 2008, and amended in October of 2012. This CIP applies to the whole City of Toronto, except certain portions of the Waterfront and the South Eastern Employment District. The stated
The primary purpose for the CIP is to encourage brownfield remediation and increase employment growth in the City by focusing on the development of specific employment uses (economic sectors) that are expanding.

The Toronto City-Wide CIP contains two incentive programs. The first is a Brownfields Remediation Tax Assistance Program. As with most of the other municipalities in Ontario that utilize this program, Toronto’s Brownfields Remediation Tax Assistance Program provides for a cancellation of the municipal and education portion of the property tax increment for 3 years. The CIP notes that the Brownfields Remediation Tax Assistance Program is available only for property that is developed for employment uses, excluding retail uses. However, ancillary retail uses subordinate and directly related to, and dependent upon, a principal employment use, building or structure are considered eligible, including ground floor retail in an office building. Furthermore, brownfield redevelopment projects that contain ineligible uses are permitted so long as the owner pays the full property taxes for that portion of the development that contains ineligible uses.

The second program is an annual TIG (a Development Grant) that is targeted to development for certain employment uses. This development does not have to be on a brownfield site. The employment uses targeted for the Development Grant, include:

- Biomedical;
- Call Centres;
- Computer Systems Design and Services;
- Convergence Centres for eligible uses as listed in this section;
- Corporate Headquarters, in the Downtown;
- Creative Industries;
- Film Studio Complexes;
- Food and Beverage Wholesaling;
- Incubators;
- Information Services and Data Processing;
- Manufacturing, provided the manufacturing operation occupies at least 35% of the GFA; in a single use building or facility;
- Scientific Research and Development;
- Software Development;
- Tourism Attractions;
- Transformative Projects, subject to approval by City Council.

Development Grants are available for a Corporate Office Building if the corporate office user is not located in the Financial District and is in one of the following sectors:

- Biomedical;
- Creative Industries;
- Computer Systems Design and Services;
- Financial Services;
- Food and Beverage Wholesaling;
- Information Services and Data Processing;
- Manufacturing;
- Scientific Research and Development;
- Software Development
Development Grants are also available for any Office Building with a minimum GFA of 5000 square metres located on Sites in Transit Corridors, but not within the Financial District.

The annual TIG provided is on a sliding scale from 100% in year 1 down to 20% in year 10 as shown in Figure D3 below. The total TIG paid out cannot exceed 60% of the cumulative municipal tax increment over the 10 year period.

**Figure D3 Standard TIG**

<table>
<thead>
<tr>
<th>Year</th>
<th>Grant (as % of tax increment)</th>
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<tbody>
<tr>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>91</td>
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<tr>
<td>3</td>
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<td>8</td>
<td>38</td>
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<td>9</td>
<td>29</td>
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<td>10</td>
<td>20</td>
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</tbody>
</table>

In the case of development within Employment Districts and other designated Employment Areas as shown on Maps 2 and 13 – 23 of the City of Toronto Official Plan, the total TIG provided is on a sliding scale from 100% in year 1 down to 24% in year 10 as shown in Figure D4 below, and the TIG may not exceed 70% of the municipal tax increment over the 10-year period.

**Figure D4 TIG for Employment Districts and other designated Employment Areas**

<table>
<thead>
<tr>
<th>Year</th>
<th>Grant (as % of tax increment)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>100</td>
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<tr>
<td>2</td>
<td>100</td>
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<td>3</td>
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<td>49</td>
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<td>9</td>
<td>37</td>
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<td>10</td>
<td>24</td>
</tr>
</tbody>
</table>

The Toronto CIP also contains a provision that allows the tax increment grant to be combined with the available 3 year brownfields tax assistance program, for a total of up to 12 years of tax assistance and TIG payments on an eligible brownfield redevelopment.
Performance requirements for TIG eligible projects include:

a) the development must result in a minimum investment of $1,000,000 in building construction costs;
b) the development must conform to the minimum requirements of the Toronto Green Development Standards;
c) the applicant or user of the property must agree to produce a local employment plan that identifies opportunities for local hiring and/or training and documented how the applicant or property user will utilize City endorsed or sponsored employment programs.

The targeted sectors and uses in the Toronto City-Wide CIP are fairly broad. Retail commercial uses are generally not eligible to take advantage of the incentives in the CIP unless they are an accessory use to an eligible use. However, so called “transformative projects” that are not in one of the targeted sectors are also eligible for the incentives in the CIP.

Transformative projects are very large anchor type developments that meet minimum investment ($250 Million), size (75,000 square metres of building space and 4 hectares of land), and job creation (2,500 jobs) criteria. These projects must also provide public amenities and have the ability to link to regional transit initiatives.

The Toronto City-Wide CIP used to contain a requirement that specified that the TIG was available only for buildings and facilities being developed on properties that were previously developed for an urban use, or for the expansion of an existing building, facility or operation. This requirement was included by the City of Toronto in the CIP and was not requested by MMAH. However, this requirement was quietly dropped when the CIP was amended in 2012.

The Toronto City-Wide CIP contains some innovative aspects that could be applicable to the employment areas in the Oakville Brownfield CIP such as the sectoral targeting of the TIG and the idea of minimum eligibility or performance requirements. However, the number of sectors and the wide range of uses included under each sector suggest that the sectoral targeting approach in Toronto may be somewhat diluted, and may therefore not entirely achieve the strategic objectives of the CIP, i.e., focus employment growth on economic sectors that are expanding. Also, while the Toronto City-Wide CIP purports not to permit retail uses as eligible for the tax increment grant, City Council used the transformative project exception in one of the first applications to approve a major retail commercial project for the TIG. Also, the sliding scale for the TIG is regarded as less attractive by developers than a significant TIG, e.g., 70% or higher, that is fixed over the entire 10 year period.

In cases where the construction value exceeds $150,000,000 (one hundred and fifty million dollars), an application for Development Grants in Toronto will require City Council approval.

D.3.3 City of Windsor Economic Revitalization CIP

The City of Windsor has adopted several CIPs over the years including CIPs for specific parts of the city and a comprehensive Brownfield Redevelopment CIP that applies to the entire urban area of the city. The Economic Revitalization CIP was adopted by Windsor City Council in February of 2011. The primary purpose of this CIP is to promote diversification of Windsor’s economy which has been disproportionately affected by the global recession as a result of the concentration of the local economy on the automobile manufacturing sector. The CIP cites this impact as being evident when Windsor’s unemployment rate rose to 13.8% in 2009, the highest among metropolitan areas in Canada.

The community improvement project area for the Windsor Economic Revitalization CIP is the entire geographic area of the City of Windsor. The key objectives of this CIP include:
• encouraging business expansion and new business investment;
• encouraging capital investments that create job retention and expansion;
• supporting investments in specific high potential economic sectors so as to diversify the local economy;
• attracting investment based on the community’s strengths and competitive advantages;
• supporting the establishment and on-going development of sector clusters and encouraging businesses to take advantage of cluster-related synergies;
• supporting investment and development that results in an increase in property assessment and grows the nonresidential municipal tax base over the long-term; and,
• facilitating the development of the City’s vacant employment lands and other areas that have potential to be new employment areas.

As with the City of Toronto City-Wide CIP, the Windsor Economic Revitalization CIP restricts available incentive programs in the CIP to projects in certain targeted high value/growth sectors. These sectors are:

• Creative Industries;
• Health and Life Sciences;
• Management of Companies and Enterprises;
• Manufacturing;
• Professional Services;
• Renewable Energy and Related Technologies;
• Tourism; and
• Warehousing and Logistics.

The Windsor CIP specifies permitted uses for each of these targeted sectors. As with the Toronto City-Wide CIP, the targeted sectors and uses are fairly broad, and retail commercial uses are generally not eligible to take advantage of the incentives in the CIP unless they are an accessory use to an eligible use.

The Windsor Economic Revitalization CIP contains a robust TIG Program that applies to:

a) New businesses;

b) Existing business retention and expansion; and,

c) Small businesses (new or expanding).

The TIG for each of the above-noted business types is the same, i.e., the City of Windsor offers an annual TIG equal to 100% of the municipal TI for up to 10 years. What differs between the business types are the minimum investment and job retention/creation performance requirements as shown below in Figure D5. Ostensibly, no matter the size of the proposed employment use, it will fit under one of the TIG program types.

The City of Windsor CIP also offers a generous Development Charges (DC) Grant which is equal to 100% of City development charges paid on a qualifying TIG project. City development charges are paid as normal by the developer at the time of building permit issuance and the DC Grant is paid after the final building inspection, subject to the applicant meeting all the program requirements. The DC Grant is in no way offset by the TIG, i.e., approved projects that meet all the program requirements will receive both the 100% DC Grant and the 100% TIG for 10 years.
The Windsor Economic Revitalization CIP also has its own version of a “transformative project” exception and it is known as a “catalyst project”. A catalyst project is development that is not one of the eligible uses in one of the targeted sectors, but that results in the creation and/or retention of a significant number of indirect jobs in one or more targeted sectors. Catalyst projects must demonstrate by way of a business plan:

- a minimum investment (i.e. eligible costs) that total at least $250,000;
- the creation of 15 new permanent jobs as part of the development, not including construction jobs; and,
- the creation and/or retention of a 50 indirect jobs in one or more of the targeted sectors.

The City of Windsor Economic Revitalization CIP clearly promotes the development of vacant and previously undeveloped employment lands.

D.3.4 Niagara Gateway Economic Zone and Centre CIP

The Niagara Gateway Economic Zone and Centre CIP was approved in 2013. The Gateway CIP was developed to promote the development of approximately 5,000 acres of industrial employment land across five municipalities in Niagara. Much if this employment land is vacant and previously undeveloped, but the CIP applies to both previously developed and undeveloped industrial/employment lands. The goals of the Gateway CIP include:

- Revitalizing, strengthening and diversifying the Region’s economy;
- Improving the attractiveness and competitiveness of the employment lands in the Gateway;
- Creating new employment and retaining existing employment;
- Increasing property assessment and the Region’s non-residential tax base; and,
- Developing energy efficient, sustainable industrial buildings.

The Region of Niagara worked with the five local municipalities in the Gateway Economic Zone and Centre (Fort Erie, Niagara Falls, Port Colborne, Thorold and Welland) and to prepare a “model Gateway CIP” for adoption by each of the five local municipalities. The Community Improvement Project Area for the Gateway CIP is “all designated employment lands in the settlement areas within Welland, Port Colborne, Niagara Falls, Fort Erie and Thorold, as amended from time to time”.

The five local municipalities in Niagara have adopted the Gateway CIP and implementation of the Gateway incentive programs is underway. The Niagara Gateway CIP has already begun to produce impressive results in Welland with at least two major employers from outside Niagara using the incentives to locate new manufacturing plants in Welland. The Niagara Gateway CIP was awarded a 2013 Ontario Professional Planners Institute Excellence in Planning Award.
The Gateway CIP is very specific that retail commercial uses and residential uses are not eligible for the Gateway CIP incentives, and if such a use is included as an accessory use within an approved grant application, the grant provided will be calculated only in relation to non-retail commercial uses and non-residential uses. Also, all projects approved for the gateway incentives must conform to the Region’s Model Urban Design Guidelines or Local Municipal Design Guidelines that conform to the Region’s Model Urban Design Guidelines.

The Gateway CIP contains two major incentive programs to promote the sustainable development of employment lands in the five municipalities. The first is a Tax Increment Based Grant (TIBG) that applies to the municipal (Regional and Local) property tax increase generated by approved projects. The second is a Development Charge (DC) Grant Program. To be eligible for either of these incentives, projects must meet achieve minimum investment / job creation and sustainability benchmarks as detailed below.

In order to prioritize and direct development within the Gateway Community Improvement Project Area, the duration of grant payments provided under the TIBG Program is 10 years for projects within the six areas that are shown as Strategic Locations for Investment in the Region’s Official Plan, as compared to 5 years for projects in the balance of the Community Improvement Project Area.

The availability and value of the TIBG is tied to both the economic performance (jobs and investment) and the environmental sustainability of each as built project based on a 20 point scoring system. A maximum of 15 points is available for the economic performance of the project (construction value and full-time jobs created/retained) and a maximum of 5 points is available for the environmental performance of the project as shown in the tables below:

<table>
<thead>
<tr>
<th>Construction Value (A)</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>$200,000 – $1,999,999</td>
<td>1</td>
</tr>
<tr>
<td>$2,000,000 – $9999,999</td>
<td>2</td>
</tr>
<tr>
<td>$10,000,000 – $39,999,999</td>
<td>3</td>
</tr>
<tr>
<td>$40,000,000+</td>
<td>4</td>
</tr>
<tr>
<td>Certified</td>
<td>2</td>
</tr>
<tr>
<td>Silver</td>
<td>3</td>
</tr>
<tr>
<td>Gold</td>
<td>4</td>
</tr>
<tr>
<td>Platinum</td>
<td>5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Full Time Jobs Created/Retained (B)</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-9</td>
<td>5</td>
</tr>
<tr>
<td>10-19</td>
<td>6</td>
</tr>
<tr>
<td>20-34</td>
<td>7</td>
</tr>
<tr>
<td>35-50</td>
<td>8</td>
</tr>
<tr>
<td>51-74</td>
<td>9</td>
</tr>
<tr>
<td>75-100</td>
<td>10</td>
</tr>
<tr>
<td>100+</td>
<td>11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region’s Smart Growth Design Criteria (C)</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conforms with 3/6</td>
<td>2</td>
</tr>
<tr>
<td>Conforms with 4/6</td>
<td>3</td>
</tr>
<tr>
<td>Conforms with 5/6</td>
<td>4</td>
</tr>
<tr>
<td>Conforms with 6/6</td>
<td>5</td>
</tr>
</tbody>
</table>
The weighting of the various performance criteria was based on extensive consultation with the local municipalities, industry and developers in the five local municipalities during preparation of the CIP.

The score of the project based on construction value, full time jobs created/retained and the level of LEED certification achieved by the project or conformity of the project with the Region’s Smart Growth Criteria, is totaled. This total score then determines the percentage of the annual TIBG as per Figure D6 below. Projects that do not score more than 7 out of 20 are not eligible to receive a TIBG. Projects that score 8/20 are eligible for a TIBG equal to 40% of the Regional and Local property tax increase generated by the project. For each additional point scored above 8, annual the TIBG increases by 5%, all the way up to 100% for a score of 20/20.

The DC Grant is available only for TIBG approved projects that qualify as “exceptional” projects, i.e., these projects score high with respect to both economic performance and environmental design performance. In order for an approved TIBG project to qualify as an exceptional project and receive a DC Grant, the as-built project must achieve a score of at least 14/20 in the TIBG application scoring. This area is denoted in green in Figure C6 below. If an as-built project achieves a TIBG score of 14/20 or more, that project will receive a Regional DC Grant equal to the percentage of the TIBG corresponding to that score, as shown in Figure 6 below. For example, a project that scores 18/20 would receive a 90% Regional DC Grant. The maximum Regional DC Grant is capped at $1.5 million.

The DC Grant Program works as follows. Once the TIBG application is approved and the applicant decides to proceed with the project, the applicant pays Local and Regional development charges in full as normal, i.e., usually at the time of building permit issuance. The Regional DC Grant is then determined and paid only after project completion. The DC Grant is not paid at the time of building permit issuance because the grant amount is tied to as-built project performance, which cannot be determined until the project is complete.

<table>
<thead>
<tr>
<th>Total Score</th>
<th>Tax Increment Based Grant Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-7</td>
<td>No Grant</td>
</tr>
<tr>
<td>8</td>
<td>40%</td>
</tr>
<tr>
<td>9</td>
<td>45%</td>
</tr>
<tr>
<td>10</td>
<td>50%</td>
</tr>
<tr>
<td>11</td>
<td>55%</td>
</tr>
<tr>
<td>12</td>
<td>60%</td>
</tr>
<tr>
<td>13</td>
<td>65%</td>
</tr>
<tr>
<td>14</td>
<td>70%</td>
</tr>
<tr>
<td>15</td>
<td>75%</td>
</tr>
<tr>
<td>16</td>
<td>80%</td>
</tr>
<tr>
<td>17</td>
<td>85%</td>
</tr>
<tr>
<td>18</td>
<td>90%</td>
</tr>
<tr>
<td>19</td>
<td>95%</td>
</tr>
<tr>
<td>20</td>
<td>100%</td>
</tr>
</tbody>
</table>

The Niagara Gateway CIP contains a number of innovative aspects which can be considered for inclusion in the Oakville Brownfield CIP. The duration of the TIBG is increased in high priority areas from 5 years to 10 years. The availability and amount of both the TIBG and the DC Grant is tied to both the economic
performance (jobs and investment) and environmental sustainability of each project. To provide flexibility to applicants who do not wish to go through the LEED certification process, environmental sustainability is measured through either LEED certification or incorporation of Niagara Region’s Smart Growth Criteria into the proposed project.

Furthermore, “exceptional projects” that achieve high levels of economic performance and environmental sustainability receive the coveted DC Grant. The eligibility requirements and performance evaluation criteria for the incentive programs offered in the Niagara Gateway CIP are designed to ensure that all developments approved for incentive program funding achieve both economic (jobs and investment) and sustainability goals, and that the public interest in funding development of employment lands is protected.

D.4 Residential Intensification and Mixed Use Incentive Programs
Downtown CIPs have for years contained incentive programs that promote the conversion of underutilized space in the upper stories of mixed use buildings to residential units, the rehabilitation of existing residential units in mixed use buildings, and even the construction of new residential units on vacant land through infill and redevelopment. However, it is only in recent years that a few municipalities in Ontario have begun to adopt CIPs that promote residential intensification and mixed use using performance based incentive programs that focus on minimum intensification criteria and building design and sustainability criteria in order to help the municipality meet its planning, design and sustainability goals. Examples of municipalities that have used this approach include the City of Waterloo, City of Orillia, Municipality of Clarington and Town of Lincoln.

This best practices review is not intended as an exhaustive analysis, but the Ontario municipalities selected for this best practices review of performance based residential intensification and mixed use incentive programs demonstrate a range of approaches to incentivization of residential intensification and mixed use development on vacant and underutilized lands.

D.4.1 Waterloo Northdale CIP
The City of Waterloo Northdale CIP was adopted in 2012. The Northdale CIP was initiated in response to interest by the public, residents and stakeholders to address issues related to the evolving neighbourhood demographic and associated development pressures for student rental housing, the conversion of existing dwellings, and higher density housing forms, which has implications on the character and livability of the neighbourhood. The Northdale Neighbourhood is an area in transition and in need of high quality reurbanization in the form of residential and mixed use infill, intensification, adaptive reuse and redevelopment. The critical community improvement needs for intensification identified in this area included:

i) An exemplary quality of building architecture, design and durability of construction in new buildings;
ii) A sustainable and environmentally progressive and transit supportive neighbourhood with sustainable buildings that incorporate environmental innovation and green technologies and building construction;
iii) A range of housing types in Northdale that will appeal to a wide demographic; and,
iv) Affordable housing opportunities in Northdale.

The Northdale CIP contains a number of incentive programs, but three programs in particular exemplify the promotion of intensification and mixed use projects that are green and sustainable. These include the TIG Program and the DC Grant Program. To date, only the TIG Program has been implemented. In order to obtain any of these grants, an eligible project must achieve an as-built minimum “green” performance level. The as-built performance of a project is evaluated by the City using the level of LEED certification or level of conformity with the City’s Sustainability Strategies for Private Developments which are attached as Attachment 4. The
Sustainability Strategies for Private Developments include a comprehensive list of 72 project components listed under ten (10) sustainability strategies that can be incorporated into the project in order to qualify for and significantly increase the available incentives. For a project to “conform” to a particular sustainability strategy, the project must include at least half (50%) of the project components listed under that particular sustainability strategy. The Waterloo Northdale Sustainability Strategies are as follows:

- Environmental Sustainability;
- Plantings and Hardscape;
- Transportation and Walkability;
- Open Space and Amenities;
- Public Health and Safety;
- Energy Efficiency and Building Operation Optimization;
- Materials Impacts;
- Indoor Environment;
- Building Operation and Maintenance; and,
- Local Identity and Heritage.

The TIG Program provides a 10 year annual grant equal to a percentage of the municipal property tax increase for up to 10 years following completion of an eligible project. The availability of the grant and the amount of the grant to be paid out by the City on an approved project is tied to as-built project performance of that project, as shown in Figure D7 below. Similarly, the availability of the DC Grant and the amount of the DC Grant to be paid out by the City on an approved project is tied to as-built project performance, as shown in Figure D7 below.

While the comprehensive sustainability strategies in the Waterloo Northdale CIP will no doubt help to ensure that the CIP achieves its sustainability and design objectives, the incentive programs and sustainability strategies may be too detailed, resulting in a lack of understanding of the programs on the part of applicants and/or difficulty in administering the programs on the part of staff.

**Figure D7 Waterloo Northdale TIG and DC Grant**

<table>
<thead>
<tr>
<th>As-Built Project Achieves:</th>
<th>Annual TIG Grant as a % of TI Generated by Project</th>
<th>DC Grant as a % of DC Paid on Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>No LEED certification or conformity with fewer than 6 of 10 Sustainability Strategies</td>
<td>No Grant</td>
<td>No Grant</td>
</tr>
<tr>
<td>LEED certification or conformity with 6 of 10 Sustainability Strategies</td>
<td>40%</td>
<td>40%</td>
</tr>
<tr>
<td>LEED Silver certification or conformity with 7 of 10 Sustainability Strategies</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>LEED Gold certification or conformity with 8/9 of 10 Sustainability Strategies</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>LEED Platinum certification or conformity with all 10 Sustainability Strategies</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
D.4.2 Orillia Downtown Tomorrow CIP

The Orillia Downtown Tomorrow CIP was adopted in 2016. For the most part, this CIP contains a comprehensive set of standard downtown revitalization type incentives, including a TIG program and a DC Grant Program. However, the existence of a number of large vacant and underutilized sites (including brownfield sites) in the Downtown Orillia Area necessitated a focus on promoting large scale redevelopment of these sites. Therefore, the DC Grant Program focuses on “catalytic projects”. These are residential, commercial and mixed use development, redevelopment or adaptive building reuse projects that as a result of their large scale and/or type of use can be expected to spur significant similar improvements in the surrounding area. Catalytic projects are typically large scale residential or mixed use development projects, especially those taking place on large vacant former industrial properties and infill lots.

The City of Orillia’s DC Grant Program will provide a grant equal to up to 100% of the City development charges normally payable on catalytic residential, commercial, mixed use and non-exempt institutional development and redevelopment projects in the Project Area. While the City of Orillia may establish a maximum total grant for their DC Grant Program, the actual percentage of the DC Grant (up to 100%) is at the discretion of Council on a case by case basis. However, the determination of which projects meet the “catalytic project” requirement is based on the as-built project achieving minimum performance requirements as set below.

In order to qualify for the DC Grant Program, the as-built project must include at least three (3) of the following criteria:

a. Creates an increase in assessment value of at least $2,500,000;
b. On a brownfield site greater than 0.4 ha. (1 acre) in size;
c. Incorporates exemplary urban design and/or significantly contributes to maintaining the heritage character of the Project Area;
d. Achieves LEED certification or other sustainable design/construction standards recognized by the City;
e. Includes a minimum of 25% residential units that are affordable and a minimum of 10 affordable residential units;
f. In the opinion of the City, the project is of a size and scale that will spur redevelopment of adjoining and nearby properties within the Project Area.

The Orillia Downtown CIP includes minimum project performance criteria that will help to ensure that the incentive programs help to achieve the key objectives of the CIP. However, this safeguard may be overridden by the discretion that Council has to set the DC Grant level on a case by case basis.

D.4.3 Courtice Main Street CIP

The Municipality of Clarington adopted the Courtice Main Street CIP in 2016. This CIP was specifically designed to generate higher density residential and mixed use development, including office and retail uses, to help achieve the vision for the Courtice Main Street area specified in the Secondary Plan. Courtice Main Street consists primarily of low density, mainly single family residential homes on large lots and commercial development (both small independent and strip mall type commercial and larger format mall type commercial). The eastern part of the Courtice Main Street Study Area has infrastructure constraints, i.e., sanitary services, and any intensification within this area must have regard for required infrastructure upgrades and improvements. The key community improvement needs identified for Courtice Main Street are:

1) High quality architecture, urban design, building materials and construction;
2) A pedestrian friendly environment and development that supports transit, active transportation, and accessibility;
3) Access to the Black Creek trail system and enhanced green/open spaces, paths and trails;
4) Housing choice, accessibility and affordability;
5) Development that is sustainable, i.e., development that reduces waste, energy consumption, greenhouse gas (GHG) emissions, and water consumption.

The CIP contains two incentive programs, i.e., a Development Charge (DC) Grant Program and a Tax Increment Grant (TIG) Program. A two-step approach was adopted for the incentive programs in this CIP. In the first step, to ensure that all projects taking advantage of the incentive programs in this CIP actually accomplish the desired intensification and mixed use objectives of the Courtice Main Street Project Area, proposed projects must meet mandatory minimum intensification targets (height, density and FSI) in order to be eligible to apply for the incentive programs contained in this CIP. These minimum intensification targets are as shown below in Figure D8. The minimum residential density targets in Figure D8 are approximately 25% higher than the minimum specified in the Secondary Plan and the minimum floor space index targets are approximately 20% higher than the minimum specified in the Secondary Plan. The minimum residential density targets and floor space index targets in Figure C8 were developed based on consultation with municipal staff, developers and the public in the Clarington area.

**Figure D8** Courtice Main Street CIP Minimum Intensification Targets for Program Eligibility

<table>
<thead>
<tr>
<th>Land Use as per Secondary Plan</th>
<th>Within Town Centre</th>
<th>Outside Town Centre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimum residential units per gross ha.</td>
<td>Minimum FSI</td>
</tr>
<tr>
<td>Commercial</td>
<td>na</td>
<td>1.8</td>
</tr>
<tr>
<td>Commercial Mixed Use</td>
<td>95&lt;sup&gt;2&lt;/sup&gt;</td>
<td>1.8</td>
</tr>
<tr>
<td>Medium Density Residential&lt;sup&gt;1&lt;/sup&gt;</td>
<td>95</td>
<td>1.8</td>
</tr>
<tr>
<td>Low-Rise High Density Residential</td>
<td>95</td>
<td>1.8</td>
</tr>
<tr>
<td>Mid-Rise High Density Residential</td>
<td>95</td>
<td>1.8</td>
</tr>
</tbody>
</table>

<sup>1</sup>If at least 50% of residential units in the development project are 2/3 bedroom, the project is not required to achieve the minimum residential units per gross ha., but the project is still required to achieve the minimum FSI and minimum height requirement.

<sup>2</sup>Applies to residential component of Commercial Mixed Use only.

<sup>1</sup>Standard townhouses and row townhouses less than three (3) storeys are not eligible for incentive programs. Stacked townhouses less than three (3) storeys that meet all other applicable minimum incentive program requirements may be considered eligible by the Municipality on a case-by-case basis.

In step 2, once the proposed project has been deemed eligible to apply for the incentive programs, the proposed project is evaluated against a project performance evaluation framework to determine how well the project addresses the key community improvement needs, and therefore, the value (percentage) of the DC Grant and the TIG. This Project Performance Evaluation Framework is attached as **Attachment 5**. There are five (5) performance criteria in the evaluation framework, including:
1. Building Design and Construction;
2. Pedestrian Environment and Active Transportation;
3. Green/Open Spaces and Trail Access;
4. Housing Choice, Accessibility and Affordability; and,
5. Sustainable Development.

In order for a project to "conform" with a criteria in the performance evaluation framework, that project must include at least half (50%) of the project components listed under that particular criteria. Where a project component includes a “bonus” option and that bonus option is achieved, that project component will score two points rather than just one point for that project component.

The actual value (percentage) of the DC Grant and the TIG is determined based on the as-built performance of the project as shown in Figure D9 below. As you will note in Figure D9, the DC Grant to be provided is much higher (double) for projects that will take place in the currently unserviced part of the Courtice Main Street Area because in addition to paying Municipal and Regional development charges, these projects will also have to pay for the extension of full municipal services to the unserviced area.

The Courtice Main Street CIP provides a number of parallels and best practices for the Oakville Brownfield CIP, and in particular the Midtown Area. The Courtice Main Street CIP contains minimum intensification requirements to help promote development that not only meets, but exceeds the minimum densities specified in the applicable Secondary Plan. Next, the Courtice Main Street CIP contains a project performance evaluation framework to help ensure that projects in the project area meet the municipality’s planning, design, sustainability and affordable housing goals. This project performance evaluation framework is relatively simple, and should be easy to understand and workable for applicants and staff. Finally, the DC Grant program is structured to reflect the fact that eligible projects in the unserviced portion of the project area will incur significant extra costs to service this area, and therefore, the DC Grant available to these projects is significantly larger than the DC Grant available to projects in the serviced part of the project area.

**Figure D9 — Courtice Main Street DC Grant and TIG Based on Project Performance**

<table>
<thead>
<tr>
<th>Project Performance</th>
<th>Program Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>If as-built project achieves:</td>
<td>DC Grant (as % of DC normally payable) for projects that:</td>
</tr>
<tr>
<td></td>
<td>TIG (up to 10 year annual grant) as % of Municipal property tax increment (TI)</td>
</tr>
<tr>
<td>Do not have to pay cost share to Region for full municipal services</td>
<td>Have to pay cost share to Region for full municipal services</td>
</tr>
<tr>
<td>3 of 5 performance criteria</td>
<td>25.0%</td>
</tr>
<tr>
<td>4 of 5 performance criteria</td>
<td>30.0%</td>
</tr>
<tr>
<td>5 of 5 performance criteria</td>
<td>37.5%</td>
</tr>
</tbody>
</table>
D.4.4 Town of Lincoln Mixed Use and Residential Intensification CIP

Residential development in the Town has primarily been composed of low density and medium density in the form of single detached, semi-detached and townhouse units. The Town has adopted a new Official Plan that promotes the intensification of residential and employment areas by establishing a number of intensification corridors major arterial roads and designating and zoning lands for higher density residential and mixed use development in these areas. In order to assist in achieving these goals, the Town of Lincoln adopted its Mixed Use and Residential Intensification CIP in 2016. This CIP contains a TIG Program and a DC Grant Program. Similar to the two-step approach used in the Courtice Main Street CIP, the Town of Lincoln established minimum residential intensification and mixed use density targets that a project must meet in order to be eligible to apply for the TIG and DC Grant Programs. These minimum intensification and mixed use targets are as shown in Figure D10 below.

The minimum residential density and other targets in Figure D10 are tied to the Official Plan designation or the Zoning on a property and were developed based on consultation with municipal staff, regional staff, Council, developers and the public in Lincoln.

**Figure D10 Lincoln Minimum Intensification and Mixed Use Targets for Program Eligibility**

<table>
<thead>
<tr>
<th>If Project on Lands:</th>
<th>As-built Project must achieve the following minimum targets:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated High Density Residential in the Official Plan;</td>
<td>• 90 units per net ha.; and</td>
</tr>
<tr>
<td>or, Zoned Residential Multiple 3 Zone (RM3) in the</td>
<td>• Four (4) storeys in height</td>
</tr>
<tr>
<td>Zoning By-law</td>
<td></td>
</tr>
<tr>
<td>Designated Medium Density Residential in the Official</td>
<td>• 50 units per net ha.; and</td>
</tr>
<tr>
<td>Plan; or, Zoned Residential Multiple 1 Zone (RM1) or</td>
<td>• Three (3) storeys in height</td>
</tr>
<tr>
<td>Residential Multiple 2 Zone (RM2) in the Zoning By-law</td>
<td></td>
</tr>
<tr>
<td>Designated Mixed Use</td>
<td>• 20% of residential units are live-work units; and</td>
</tr>
<tr>
<td></td>
<td>• Floor Area Ratio (FAR) of 0.75; and</td>
</tr>
<tr>
<td></td>
<td>• Three (3) storeys in height if on an</td>
</tr>
<tr>
<td></td>
<td>Intensification Corridor and two (2) storeys in height</td>
</tr>
<tr>
<td></td>
<td>elsewhere; and</td>
</tr>
<tr>
<td></td>
<td>• Applicable minimum High Density Residential units per</td>
</tr>
<tr>
<td></td>
<td>net ha. target adjusted downward based on the ratio of</td>
</tr>
<tr>
<td></td>
<td>non-residential floor space to total floor space</td>
</tr>
</tbody>
</table>

The actual value (percentage) of the DC Grant and the TIG is determined based on the as-built performance of the project as shown in Figure D11 below. As shown in Figure D11, an as-built project that meets the minimum intensification or mixed use targets will receive a 50% Town DC Grant and an 80% TIG for 5 years (100% for 5 years if project is on a brownfield site). If the project then meets the requisite number of Smart Growth Design
Criteria or achieves any level of LEED certification, the DC Grant increases to 75% of Town DCs payable and the TIG increases to 7 years. If the project includes a minimum of 20% affordable units, the DC Grant increases to 75% of Town DCs payable and the TIG increases to 8 years. Finally, if the project includes both Smart Growth Design Criteria/LEED certification and a minimum of 20% affordable units, the DC Grant increases to 100% of Town DCs payable and the TIG increases to 10 years. Again, the Town can establish a maximum total DC Grant that can be paid per property/project.

As with the Courtice Main Street CIP, the Lincoln Mixed Use and Residential Intensification CIP provides a number of parallels and best practices for the Oakville Brownfield CIP, including minimum intensification requirements and a project performance evaluation framework to help ensure that projects meet the municipality’s planning, design, sustainability and affordable housing goals.

**Figure D11  Lincoln DC Grant and TIG Based on Project Performance**

<table>
<thead>
<tr>
<th>Project Performance</th>
<th>Program Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>If as-built project achieves:</td>
<td>Development Charge Grant equals</td>
</tr>
<tr>
<td>Minimum intensification targets or mixed use targets</td>
<td>50% of Town DC normally payable</td>
</tr>
<tr>
<td>Annual Grant = 80% of municipal tax increment for 5 years -- 100% if on a brownfield site</td>
<td></td>
</tr>
<tr>
<td>If as-built project also achieves:</td>
<td></td>
</tr>
<tr>
<td>1) Requisite Number of Regional Smart Growth Design Criteria or any level of LEED certification</td>
<td>+25% of Town DC normally payable</td>
</tr>
<tr>
<td>Annual Grant = 80% of municipal tax increment for 7 years -- 100% if on a brownfield site</td>
<td></td>
</tr>
<tr>
<td>2) Minimum 20% of residential units are affordable</td>
<td>+25% of Town DC normally payable</td>
</tr>
<tr>
<td>Annual Grant = 80% of municipal tax increment for 8 years -- 100% if on a brownfield site</td>
<td></td>
</tr>
<tr>
<td>3) 1) and 2) above</td>
<td>+50% of Town DC normally payable</td>
</tr>
<tr>
<td>Annual Grant = 80% of municipal tax increment for 10 years -- 100% if on a brownfield site</td>
<td></td>
</tr>
</tbody>
</table>
Attachment 4
Waterloo Northdale Sustainability Strategies for Private Development
SUSTAINABILITY STRATEGIES FOR PRIVATE DEVELOPMENTS

The incentive programs contained in the Waterloo Northdale CIP focus on promoting development that exhibits an exemplary level of quality architecture, urban design, sustainability and environmental performance. The sustainability of a private development project is determined by both the design and development of the site, as well as the design and construction of the building(s) on that site. The design and development of the site takes into account the design and layout of infrastructure and how these are linked to the environment within, and beyond, the site boundary. The way in which the site is developed will ultimately determine the way it “works” with the environment, the neighbourhood and the people who use the site. The buildings located within a sustainable private development should also achieve a minimum ‘green’ performance level through their design and construction.

Within the Northdale Community Improvement Project Area, a reurbanization project can achieve a minimum ‘green’ performance level via:

a) any level of LEED (Leadership in Energy and Environmental Design) Certification; OR,
b) conforming to at least six (6) of the ten (10) Sustainability Strategies detailed below.

Where a project does not pursue LEED Certification, the Sustainability Strategies listed below will be used by City staff to evaluate financial incentive program applications submitted to the City under the Northdale CIP Incentive Programs.

The ten Sustainability Strategies described below address both site development and building development. In total, there are 72 project components listed under the ten Sustainability Strategies. For a project to “conform” with a particular Sustainability Strategy, the as-built project must include at least half (50%) of the project components listed under that particular Sustainability Strategy. If you elect to demonstrate the sustainability of your project utilizing the Sustainability Strategies rather than LEED Certification, please read and complete the Sustainability Strategies Questionnaire below.

Sustainability Strategies Questionnaire

For each of the ten (10) Sustainability Strategies below, place a check mark only beside the components that you plan to include in your project. Please be advised that the City will require verification of the inclusion of these components in the as-built project once project construction is completed.

1) Environmental Sustainability

It is important to minimize project impacts on the environment both during and after construction is complete. At all times during construction, a rigorous erosion and sedimentation control plan should be enforced. Through the site planning stages the development should maximize the amenity green space available to users and nature. In addition, the use of green space in the private development areas will complement and enhance those provided in the public realm. Soft landscaping can be incorporated into the buildings overall stormwater management plan.

The project includes:

1) Provision of amenity green space available to users and nature that exceeds minimum standards and contains native/adaptive and drought tolerant plans to promote biodiversity.

2) Collection and infiltration of storm water on-site.

3) Building runoff diverted into natural vegetated systems or building runoff captured in cisterns and reused for building sanitary conveyance and/or landscape irrigation.

4) Use of rainwater and/or grey water for landscape irrigation.
5) Use of alternative pervious surfaces and paving materials such as open pavers and open rubber mats to promote storm water infiltration.

6) A Green Roofing system to reduce the amount of roof runoff by absorbing rainwater and reducing both the rate and quantity of its discharge.

7) Protection or restoration of parklands or other significant natural features.

2) Plantings and Hardscape
The environmental impact of the site should be minimized through careful selection of both soft and hardscaping materials. Soft landscaping comprising native/adaptive and drought tolerant plants will help to attract wildlife to the site and promote biodiversity. The use of native/adaptive species also has lower irrigation and fertilizer requirements. Using similar plantings throughout the neighbourhood will provide a consistency to the area. Where hardscaping is required, minimize the resulting heat island effect by using materials that reflect the sun’s heat or through shading.

The project includes:

1) Native/adaptive and drought tolerant plant species in soft landscaping to minimize (eliminate) the need for irrigation and high levels of maintenance.

2) Efficient systems (e.g., drip delivery) and controllers with moisture sensors designed to ensure water is only provided when it is absolutely necessary for irrigation purposes or the use of harvested rainwater for irrigation purposes.

3) Appropriate soil volumes and/or structural soils depending on the type of plant materials used.

4) Vegetated swales where appropriate.

5) The avoidance of large expanses of manicured turf.

6) Light coloured surfaces (i.e. “high albedo”) in hardscaped areas to limit any microclimate impacts (i.e. “heat island” effect).

7) Shading over hardscaped areas to minimize micro-climate heat islands.

8) Soft/permeable surfaces bordering hardscaped areas to allow storm water to slow and infiltrate.

3) Transportation and Walkability
Buildings play an important role in the creation of walkable streets by allowing the interaction between the inside and outside to occur. Incorporating the building into the streetscape and public realm creates an interactive and inviting atmosphere.
Reducing automobile dependence should be targeted both at the neighbourhood and at the site level. Site development can contribute significantly by restricting the size of parking lots and encouraging alternative means of transportation through carpooling, carshare, bicycle or transit use.

The project includes:

1) Bicycle racks situated close to buildings to afford users the opportunity to ride to and from their intended destinations.

2) Covered and secure bicycle storage.

3) Designated space for shared parking, carshare, hybrid and carpool vehicles.

4) At least 50% of total parking underground.

5) Entrances and windows that break up the space and avoid significant stretches of solid, blank wall façade on the building, especially at street level.

6) Glazing along the façade of ground-level commercial space.

7) Accessibility features that exceed the required minimum standard.

8) A pedestrian network that is well connected both within the site, and with adjacent sites.

4) Open Space and Amenities

It is important to provide access to leisure and activity space and amenities in neighbourhoods such as Northdale that are undergoing reurbanization. Open space and public and private amenity features contribute to the social well-being and health of residents in the neighbourhood.

The project includes:

1) Open space on private or public property that exceeds the required minimum standard as per the Zoning By-law.

2) Exceptional and distinctive landscaping that exceeds the minimum standard.

3) One or more community oriented public gathering spaces.

4) The retention of a significant number of the mature trees on the property.

5) The planting of new trees at a rate that exceeds minimum standards.

6) Amenities such as benches, waste receptacles, public art, pools, and recreation areas.
5) Public Health and Safety

The design of a site and building can enhance the safety and security of residents, visitors and the community as a whole. Therefore, it is important that development projects be designed to promote a safe and secure environment. This can include features such as the location of entrances, service areas, and pedestrian accesses, as well as design features such as lighting. Outdoor lighting can extend access and use of many areas into the nighttime hours and allow for a more active and safe neighbourhood. Thoughtful design can address site illumination requirements while minimizing the negative impact on the environment. While having “eyes on the street” is very important, this must be balanced with the privacy of residents.

The project includes:

1) A design that incorporates Crime Prevention Through Environmental Design (CPTED) principles as demonstrated via a completed CPTED analysis of the site.

2) The use of full cut-off fixtures and design for no up lighting and minimal light trespass across the site boundary.

3) Lighting design for parking and congregation areas that is below ASHRAE 90.1-2004 power density allowances.

4) Lighting designed to provide a uniform level with few areas of high contrast to promote security.

5) Neighbourhood consultation at the planning/design stage that is over and above the minimum public consultation required by the Planning Act.

6) Site and design features that reduce intrusion on the privacy of adjacent properties.

6) Energy Efficiency and Building Operation Optimization

Early in the design phase of a new building and/or development, there is an opportunity for significant reductions in emissions to be made. Specifically, the ‘4R’ approach to energy efficiency should be considered:

- Rethink – your approach to energy use;
- Reduce – consumption and loads;
- Reuse – waste energy (find design trade-offs and synergies); and
- Replace – conventional with Renewable Energy Technologies (RETs).

A well designed and insulated building envelope results in a smaller, less energy intensive building system.

Large volumes of potable water are typically used by buildings. There are many ways to achieve water savings in a building including reusing roof water runoff for non-potable applications and installing water saving fixtures.
The project includes:

1) A design strategy that will achieve a 25% energy consumption savings, relative to ASHRAE 90.1-2004.

2) Energy end-use monitoring, measurement and analysis in each building to help optimize building operations.

3) An optimal window to wall ratio in buildings, with greater than 40% glazing on the first floor.

4) Rooftops with high albedo materials or colours (i.e. white rooftops).

5) High performance energy efficient building components (insulation, walls, roof, windows) that exceed building code minimum requirements.

6) Lighting that is at or below ASHRAE 90.1-2004 power density requirements (e.g. office: <10W/m2).

7) Lighting controls such as occupancy/vacancy controls, daylight sensors/controls and dimmable fixtures.

8) HVAC systems that increase energy efficiency through the use of measures such as decoupling heating and cooling from ventilation; using heat recovery, using occupancy sensors/CO2 controls and utilizing variable speed pumps and fans, e.g., Power Smart and CFC-reducing HVAC systems.

9) Energy efficient components in the energy plant such as a condensing boiler, heating/cooling equipment that modulates to meet building loads, a ground coupled heat pump system.

10) The purchase of green power offsets for building energy use, which increases the amount of available green energy on the grid (thereby displacing the need for high-emitting energy sources).

11) A Renewable Energy Technology System (RETs) to produce green power, such as photovoltaic power systems, wind power systems and solar thermal systems.

12) Low-consumption plumbing fixtures that exceed minimum standards in the building code.

13) The use of captured rainwater for non-potable applications, including irrigation, sewage conveyance, floor cleaning, and cooling tower make-up.

14) Low water and energy consuming appliances (e.g. clothes dryers and dish-washers) that are EnergStar™ compliant.
7) Material Impacts

Building material choices are important in green building design because they contribute to the depletion of natural resources and due to the ecological impacts of their eventual disposal. One of the most effective strategies for minimizing environmental impacts is to reuse existing buildings. Where this is not feasible, the source of material components should be considered. For example, where salvaged or recycled materials can be used instead of new materials, this is preferable. Finally, buildings should be designed and built to last for a long period of time with minimal maintenance. This reduces the demand for raw materials and amount of waste generated when compared with buildings that have a shorter life-span.

The project includes:

1) The re-use of existing buildings and building structures.

2) Locally sourced (extracted and manufactured) materials whenever possible to reduce the carbon impact of materials transportation.

3) The use of building components that contain high levels of recycled content to eliminate the need to extract raw materials from the natural environment.

4) The use of durable construction materials that exceed building code minimum standards and are intended to last more than 50 years.

5) An area in each building designated for the collection of recyclable materials, compostable and organic materials, household hazardous waste and general waste.

6) During construction, the diversion of construction waste from landfill by separating waste on-site and sending it to specific receiving facilities, or contracting with a waste hauler who is able to provide off-site sorting of waste products from construction.

8) Indoor Environment

Designing the indoor environment to minimize pollutants and maximize occupant comfort and enjoyment has the potential to enhance the indoor environment for building occupants. Improving indoor air quality can include measures from the supply of filtered outside air to improving the effectiveness of ventilation. Prevention of air quality problems is generally much less expensive than cleaning up after these problems occur. Measures such as moisture management and control of air contaminants during construction can greatly improve the air quality of the completed building. Selecting materials that release fewer and less harmful contaminants and interior design can significantly improve indoor environmental quality. Other measures that greatly increase occupant enjoyment of interior space include daylighting and lighting quality, thermal comfort, acoustics, occupant control of building systems, and access to views.

The project includes:

1) Building ventilation systems designed in accordance with the ventilation rate procedure outlined in the most recent version of the ASHRAE 62.1 standard.

2) Interior finishes that contain low levels of volatile organic compounds (VOCs). These include: paints, coatings, adhesives, sealants, carpet, flooring and furniture.
3) Indoor spaces that are thermally comfortable i.e., meet human comfort conditions for temperature and humidity, as outlined by the most recent version of ASHRAE 55.

4) Thin profile buildings that provide daylighting benefits.

5) Vegetated roofs in areas where people will be able to see, or access, roof-tops.

6) Noise mitigation features (walls, doors, windows, etc…) that exceed the required minimum standard.

9) Building Operation and Maintenance

While the design and construction of a building can be done in a sustainable manner, it eventually falls upon building operations staff to ensure the building performs as expected; continues to operate in an efficient/green manner; and is maintained in such a way that its long term impact on the environment is minimized. There are a number of strategies that can be implemented to achieve these, as well as other, operating and maintenance goals. Many of these strategies can be considered “No Cost” or “Low Cost” items.

The project includes:

1) The purchase of renewable energy credits or green power.

2) Providing indoor garbage/recycling rooms, and providing regular pick-up schedules.

3) An education and collection program to encourage building users to separate their organic materials from general waste and recyclables.

4) A Green Site Maintenance Program that uses native and adaptive plants in the landscape design and low impact landscape maintenance practices, no harmful chemicals that may impact water quality, the environment or cause harm to site users.

5) A Green Housekeeping Program to set guidelines for the care and upkeep of the buildings in a manner that reduces the risk posed to human health and the environment (as compared to conventional housekeeping practices).

6) A Green Procurement Process which requires building purchases to be conducted in such a way that the impact to the environment is minimized in the long term. For example, consumables (e.g. Paper towels, toilet paper) should be made of recycled product. Socially responsible products should be preferred for food products (e.g., local, fair-trade).

7) University management presence in student oriented buildings.
10) Local Identity and Heritage

The project includes:

1) The conservation or restoration of heritage features.

2) The provision of significant heritage or cultural features.

3) Public art on public land.

4) Public art on private land.
Attachment 5
Courtice Main Street Project Performance Evaluation Framework
Project Performance Evaluation Framework

While informed by best practices in other municipalities, this performance evaluation framework was custom designed to reflect and measure performance with respect to the key community improvement needs in the Courtice Main Street CIP. In fact, the five performance criteria described below directly reflect the five community improvement needs. Also, where applicable and appropriate, the performance evaluation framework draws on the green development criteria in the Green Development Framework endorsed by Council in December of 2015.

In order for a project to “conform” with a criteria in the performance evaluation framework, that project must include at least half (50%) of the project components listed under that particular criteria. Where a project component includes a “bonus” option and that bonus option is achieved, that project component will score two points rather than just one point for that project component.

1 Building Design and Construction
   1. Entrances and windows break up façade space, especially at the street level with a minimum 60% of ground floor building façade that abuts a street or other public realm space being windows and doors.
   2. At least 50% of total parking is underground.
   3. The building setback is the minimum distance set out in Zoning By-law unless the building must be set back further due to technical reasons.
   4. The use of high quality, durable construction materials that exceed building code minimum standards and are intended to last more than 50 years.
   5. An area in each building has been designated for the collection of recyclable materials, compostable organic materials, household hazardous waste and general waste.
   6. A Green Roofing system to reduce the amount of roof runoff by absorbing rainwater and reducing both the rate and quantity of its discharge.

2 Pedestrian Environment and Active Transportation
   1. The building is well connected to sidewalks, parking areas (car and bike), paths, and transit stops.
   2. Use of upgraded paving materials that promote full accessibility.
   3. Sufficient pedestrian amenities provided on site, e.g. benches, waste receptacles, paths.
   4. Provision of secure and easily accessible indoor and outdoor (covered) bicycle parking/storage areas with provision of 25% more bicycle parking spots per dwelling unit than the minimum requirement specified in the Zoning By-law.
      Bonus = 50% more bicycle parking spots per dwelling unit than the minimum requirement specified in the Zoning By-law.
3 Green/Open Spaces and Trail Access
1. The amount of landscaped open space on-site exceeds the minimum requirement in the Zoning By-law by at least 50%.
2. Retention of mature trees on site wherever possible and the provision of shade within 10 years for at least 50% of site walkways/ sidewalk lengths/ amenity areas (not including street trees). Bonus = 75% shade within 10 years.
3. At least 50% of planting is native, drought or salt tolerant species with a mix of these species to minimize the need for irrigation, disease and promote plant diversity.
5. One or more public art installations.
6. Creation of a rain, ecological or community garden area with a minimum of 60 square feet of garden space per dwelling unit.
7. Methods and technologies that provide appropriate soil volumes and an enhanced soil environment across the site to promote plant health.
8. Boulevard planting enhancements including tree pit areas and underground watering (rootwatering) infrastructure for street trees.

4 Housing Choice, Accessibility and Affordability
1. Minimum of three (3) different types of dwelling unit types (bachelor, one, two, 3 bedrooms).
2. Minimum of 10% of dwelling units and a minimum of 5 units are affordable housing. Bonus = minimum 25% of dwelling units and a minimum of 10 units are affordable housing.
3. A minimum 20% of dwelling units are accessible units.

5 Sustainable Development
If building is LEED certified, this criteria is met. If not, review the following project components:
1. Energy Efficiency: Implementation of building practices, equipment and technologies that exceed the energy efficiency requirements in the Ontario Building Code. Designed to achieve at least 13% energy efficiency improvement over OBC.
3. Indoor Water Efficiency: Implementation of fixtures, faucets and other technologies such as graywater harvesting and reuse that exceed the water efficiency requirements in the Ontario Building Code. Designed to achieve at least a 10% water efficiency improvement over OBC.
4. Hybrid / Electric Vehicles: Provision of charging infrastructure. 3% of the site parking stalls (minimum of four stalls) to be dedicated to hybrid/electric vehicles, including charging infrastructure.
5. Green Infrastructure: Integration of practices that contribute to repairing the urban water cycle and climate change resiliency, such as rain gardens, permeable pavement, green roofs, rainwater harvesting and reuse, and urban trees.