

7. **BROWNFIELDS REHABILITATION GRANT/DEVELOPMENT CHARGE REDUCTION PROGRAM APPLICATION – 345 BOOTH STREET LIMITED – 347-357 BOOTH STREET (FILE NO. F18-04-12-BOOT)**
- DEMANDE DE SUBVENTION ET DE RÉDUCTION DES REDEVANCES D'AMÉNAGEMENT POUR LA REMISE EN VALEUR DES FRICHES INDUSTRIELLES – 345 BOOTH STREET LIMITED – 347-357 RUE BOOTH (DOSSIER N^o F18-04-12-BOOT)**

COMMITTEE RECOMMENDATIONS

That Council:

1. **Approve the Brownfields Rehabilitation Grant and Development Charge Reduction Program Application submitted by 345 Booth Street Limited, owners of the property at 345-357 Booth Street, for a Brownfields Rehabilitation Grant not to exceed \$274,020.00, to 345 Booth Street Limited, over a maximum of 10 years, subject to the establishment of, and in accordance with the terms and conditions of the Brownfields Property Rehabilitation Grant Agreement;**
2. **Delegate the authority to staff to execute a Brownfields Rehabilitation Grant Agreement with 345 Booth Street Limited, establishing the terms and conditions governing the payment of the Brownfields Rehabilitation Grant for the redevelopment of 345-357 Booth Street, to the satisfaction of the Deputy City Manager, Planning and Infrastructure, the City Clerk and Solicitor and the City Treasurer; and**
3. **Resolve to exempt the proposed redevelopment at 345-357 Booth Street from paying future Municipal development charges up to a maximum of \$124,064.00, under Section 7(t) of the Development Charges By-law 2009-216, under the Guideline for the Development Charge Reduction Program due to Site Contamination, approved by Council March 28, 2007 and is included in the \$274,020.00 grant request as outlined in Recommendation 1.**

RECOMMANDATIONS DU COMITÉ

Que le Conseil:

1. **Approuve la demande de subvention pour la remise en valeur de friches industrielles présentée par la société 345 Booth Street Limited, propriétaire du bien-fonds situé aux 347-357, rue Booth, une subvention ne devant pas excéder 274 020 \$ et versée sous la forme d'une réduction de l'impôt foncier ou d'une remise équivalente accordée à la société 345 Booth Street Limited, pour une période maximale de dix ans, sous réserve de la conclusion d'une entente de subvention pour la remise en valeur de friches industrielles, et conformément à ses modalités;**
2. **Délègue au personnel le pouvoir d'exécuter l'entente de subvention pour la remise en valeur de friches industrielles conclue avec la société 345 Booth Street Limited et qui établit les modalités relatives au versement de la subvention permettant le réaménagement des 347-357, rue Booth, à la satisfaction de la directrice municipale adjointe, Urbanisme et Infrastructure, du greffier municipal et chef du contentieux, et de la trésorière municipale; and**
3. **Prend les dispositions nécessaires pour dispenser le réaménagement proposé des 347-357, rue Booth du versement de toute redevance d'aménagement municipale future jusqu'à concurrence de 124 064 \$, conformément à la section 7(t) du Règlement 219-2009 sur les redevances d'aménagement, en vertu de la directive en matière de réduction des redevances d'aménagement à cause de la contamination de l'emplacement, approuvée par le Conseil le 28 mars 2007, et faire en sorte que cette dispense soit incluse dans la demande de subvention de 274 020 \$ tel que précisé à la recommandation.**

DOCUMENTATION / DOCUMENTATION

1. Nancy Schepers, Deputy City Manager report dated 10 January 2013 (ACS-2013-PAI-PGM-0019) / Rapport de la Directrice municipale adjointe daté du 10 janvier 2013 (ACS2013-PAI-PGM-0019).

Report to/Rapport au :

Finance and Economic Development Committee
Comité des finances et du développement économique

and Council / et au Conseil

January 10, 2013
10 janvier 2013

Submitted by/Soumis par : Nancy Schepers, Deputy City Manager/Directrice
municipale adjointe, Planning and Infrastructure/Urbanisme et Infrastructure

Contact Person / Personne ressource: *John Smit, Manager/Gestionnaire, Development
Review-Urban Services / Examen des projets d'aménagement-Services urbains
Planning and Growth Management/Urbanisme et Gestion de la croissance
(613) 580-2424, 13866 John.Smit@ottawa.ca*

Somerset (14)

Ref N°: ACS2013-PAI-PGM-0019

SUBJECT: **BROWNFIELDS REHABILITATION GRANT/DEVELOPMENT CHARGE
REDUCTION PROGRAM APPLICATION – 345 BOOTH STREET
LIMITED – 347-357 BOOTH STREET (FILE NO. F18-04-12-BOOT)**

OBJET : **DEMANDE DE SUBVENTION ET DE RÉDUCTION DES
REDEVANCES D'AMÉNAGEMENT POUR LA REMISE EN VALEUR
DES FRICHES INDUSTRIELLES – 345 BOOTH STREET LIMITED –
347-357 RUE BOOTH (DOSSIER N° F18-04-12-BOOT)**

REPORT RECOMMENDATIONS

That Finance and Economic Development Committee recommend Council:

1. **Approve the Brownfields Rehabilitation Grant and Development Charge Reduction Program Application submitted by 345 Booth Street Limited, owners of the property at 345-357 Booth Street, for a Brownfields Rehabilitation Grant not to exceed \$274,020.00, to 345 Booth Street Limited, over a maximum of 10 years, subject to the establishment of, and in accordance with the terms and conditions of the Brownfields Property Rehabilitation Grant Agreement;**
2. **Delegate the authority to staff to execute a Brownfields Rehabilitation Grant Agreement with 345 Booth Street Limited, establishing the terms and conditions governing the payment of the Brownfields Rehabilitation Grant for the redevelopment of 345-357 Booth Street, to the satisfaction of the**

Deputy City Manager, Planning and Infrastructure, the City Clerk and Solicitor and the City Treasurer; and

3. Resolve to exempt the proposed redevelopment at 345-357 Booth Street from paying future Municipal development charges up to a maximum of \$124,064.00, under Section 7(t) of the Development Charges By-law 2009-216, under the Guideline for the Development Charge Reduction Program due to Site Contamination, approved by Council March 28, 2007 and is included in the \$274,020.00 grant request as outlined in Recommendation 1.

RECOMMANDATIONS DU RAPPORT

Que le Comité des finances et du développement économique recommande ce qui suit au Conseil :

1. Approuver la demande de subvention pour la remise en valeur de friches industrielles présentée par la société 345 Booth Street Limited, propriétaire du bien-fonds situé aux 347-357, rue Booth, une subvention ne devant pas excéder 274 020 \$ et versée sous la forme d'une réduction de l'impôt foncier ou d'une remise équivalente accordée à la société 345 Booth Street Limited, pour une période maximale de dix ans, sous réserve de la conclusion d'une entente de subvention pour la remise en valeur de friches industrielles, et conformément à ses modalités;
2. Déléguer au personnel le pouvoir d'exécuter l'entente de subvention pour la remise en valeur de friches industrielles conclue avec la société 345 Booth Street Limited et qui établit les modalités relatives au versement de la subvention permettant le réaménagement des 347-357, rue Booth, à la satisfaction de la directrice municipale adjointe, Urbanisme et Infrastructure, du greffier municipal et chef du contentieux, et de la trésorière municipale; and
3. Prendre les dispositions nécessaires pour dispenser le réaménagement proposé des 347-357, rue Booth du versement de toute redevance d'aménagement municipale future jusqu'à concurrence de 124 064 \$, conformément à la section 7(t) du Règlement 219-2009 sur les redevances d'aménagement, en vertu de la directive en matière de réduction des redevances d'aménagement à cause de la contamination de l'emplacement, approuvée par le Conseil le 28 mars 2007, et faire en sorte que cette dispense soit incluse dans la demande de subvention de 274 020 \$ tel que précisé à la recommandation.

BACKGROUND

Brownfields are properties where past actions have resulted in actual or perceived environmental contamination and/or derelict or deteriorated buildings. They may be vacant, abandoned or underutilized. They are usually, but not exclusively, former industrial or commercial properties.

The Brownfields Redevelopment Community Improvement Plan (BRCIP) was adopted by Council on April 27, 2007 and amended by Council on May 12, 2010.

The BRCIP presents the rationale behind the redevelopment of brownfields in Ottawa, and the actions and strategies that will promote Brownfield redevelopment. The BRCIP contains a comprehensive framework of incentive programs which include the Brownfields the Rehabilitation Grant Program.

345 Booth Street Limited has filed an application under BRCIP for the demolition, clean-up and redevelopment of 345-357 Booth Street, a property which has a total area of 2,300 m², with 52.71 meters of frontage along Booth Street (see Documents 1, 2 and 9). The site was previously used as an auto repair shop and associated parking lot. The property has been purchased for redevelopment and is presently undergoing remedial works to address environmental contamination issues.

The Phase I and II Environmental Site Assessments prepared by DCS Ltd. in 2011 identified a number of environmental impacts from petroleum-based products under the property, likely stemming from the long-term use of the property as an auto repair shop and associated parking lot.

The soil and groundwater analytical test results are in excess of the applicable Ministry of the Environment (MOE) site standards for residential development. The recommendations of the DCS report indicated that the contaminated soil and groundwater must be removed from the site during redevelopment.

The site qualifies as an eligible "brownfield", in the Central Area, under the City's Brownfields CIP.

The purpose of this report is to bring the application for 345-357 Booth Street before Committee and Council for consideration and approval.

DISCUSSION

The Ottawa BRCIP specifies that, the total of all grants, property tax assistance and development charge reduction shall not exceed 50 per cent of the cost of rehabilitating said lands and buildings.

The Rehabilitation Grant Program is a tax-increment based grant funded through the tax increase that results from redevelopment of the property. The tax-increment grant is not

paid in advance but is directly tied to the amount of development actually completed on the property. If the development does not proceed then no grants are paid.

The Rehabilitation Grant will equal 50 per cent of the City portion of the increase in property taxes that results from the redevelopment and is payable annually for up to ten years, or up to the time when the total grant payments equal the balance of the total eligible costs, whichever comes first. The City will only pay the annual grant after property taxes have been paid in full each year.

The owners are eligible for the "Development Charge Reduction Due to Site Contamination" Program which allows a maximum reduction of municipal development charges up to 50 per cent of eligible cost items. The amount credited is reduced from the eligible cost cap under the Rehabilitation Grant Program. This program allows the owner to receive a development charge credit at the time of application for building permits.

The 345 Booth Street Limited Grant Application

The required documents that are to be submitted to the City as part of a Rehabilitation Grant application are described in Document 3. Staff reviewed the submissions and deemed the application to be complete as of Sept 28, 2012.

Proposed Remediation

The remediation program will consist of a generic approach. An excavation program will be carried out. DCS Ltd. estimates that 1,900 m³ of impacted soil (50 m³ of impacted soil by hydrocarbons) will be excavated from the site for off-site disposal at a MOE licensed landfill facility.

Any potentially hazardous building materials (such as asbestos and lead) would be removed and managed as part of the building decommissioning and demolition.

After advising staff, the applicant commenced demolition of the existing building and then proceeding with site remediation activities. These activities were undertaken on the full understanding and written acknowledgment by the applicant that under the General Program Requirements, as stated in Section 6.2 (b) of the BRCIP that: "*The City is not responsible for any costs incurred by an applicant in relation to any of the programs, including without limitation, costs incurred in anticipation of a grant and/or tax assistance*".

However, while these rehabilitation works have been completed it is important to note that these works are still eligible costs under the provisions of the BRCIP as the works were undertaken after the submission of a completed application. Section 6.6.3. (a), of the Rehabilitation Grant Program requirements states that: "*A grant application must be submitted to the City prior to the start of any rehabilitation works to which the grant will apply.*"

Proposed Redevelopment Scheme

This property is being developed through a site plan application (D07-12-12-0002).

This application is for the construction of 20 townhouse units with a Gross Building area of 2,932 m² fronting on Booth Street.

The project has received site plan control approval from the Department and the applicant is in the process of finalizing its agreements.

Calculating the Rehabilitation Grant

Under the Brownfield Rehabilitation Grant program guide, the applicant is required to submit various technical documents to determine eligibility as well as the costs eligible for the rehabilitation grant and property tax assistance. Staff reviewed the submissions and has determined that the total costs eligible for a Brownfield Rehabilitation Grant under the program are \$548,041.00.

The BRCIP specifies that the total eligible costs be capped at 50 per cent of the total costs. A breakdown of the eligible costs is shown in Document 4. Applying this cap results in the calculation of the Rehabilitation Grant to be \$274,020.00 (Document 5).

The ability to receive the Rehabilitation Grant can occur over a number of venues and timing for the payouts of the grants.

Rehabilitation Grant program

Grants, paid in the form of property tax rebates, would be capped at 50 per cent of the municipal share of the increase in property taxes that result from the redevelopment, payable annually for up to ten years or, up to the time when the total grant payments equal the total eligible costs, whichever comes first. The City will only pay the annual grant after the property taxes have been paid in full each year and all terms and conditions specified in the registered legal agreement between the City and the applicant have been met. It is possible that the pay-out could occur within the first year of the first payment at which time the annual municipal payment would end.

Development Charge Reduction Program Due to Site Contamination

The owners are eligible for the "Development Charge Reduction Due to Site Contamination" Program which allows a maximum reduction of development charges up to 50 per cent of eligible cost items but the amount credited will be reduced from eligible grants under the Rehabilitation Grants Program. This program allows the owners to receive a credit at the time of application for building permits. The anticipated total development charges for full build-out for this development, is \$222,880.00. The eligible development charge credit of 50 per cent of the eligible cost items is calculated as

\$124,060.00 (Document 7).

Economic Benefits to the Community

The overall economic impact of the proposed residential development is estimated at \$5 M in direct construction value. During the development of the site, direct and indirect economic benefits to the local economy will be experienced as a result of building demolition, site remediation and the construction period through payroll, purchased material supplies and services and equipment rentals.

Over \$10M in new residential assessment would be added to the property tax assessment roll at full development. Staff estimates that \$126,493.00 per year, in increased municipal property and education taxes can be expected at the completion of the project, after the rehabilitation grant ends, which would subsequently go to the City's general revenues (see Document 6).

The project will earn the City over \$200,000.00 in present value dollars in development charges, building permit fees and other development fees.

RURAL IMPLICATIONS

There are no rural implications with associated with this report.

CONSULTATION

There was no public consultation for this report.

COMMENTS BY THE WARD COUNCILLOR

The Ward Councillor concurs with this application and the staff recommendations.

LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendations of this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

FINANCIAL IMPLICATIONS

The total eligible costs for a Brownfields Rehabilitation Grant and Development Charge Reduction Program are \$548,041 as detailed in Document 4. The Brownfields

Redevelopment Community Improvement Plan caps assistance/grant at 50% of eligible costs, or \$274,020, as detailed in Document 5. Of the \$274,020, \$124,060 will be funded through reductions to Development Charges, and \$149,960 will be funded through incremental taxes resulting from the increased assessments. In addition, \$28,901 will be contributed to the Municipal Leadership Revolving Fund, which will be funded through incremental taxes resulting from the increased assessments. Details are in Document 8.

According to the *Development Charge Act*, 1997, c.27 s.5(6)3 “An exemption may not be offset through an increase in fees for other categories.” Therefore a reduction in the DC collections arising from an exemption may result in a shortfall in funding to support growth-related projects. This shortfall will be addressed in the five-year review of the development charge by-law as required by legislation.

The expenditure authority for the grant payments and revolving fund contributions will be brought forward through the annual budget process. Actual payments of the Rehabilitation Grant will be reviewed at the end of each tax year to confirm the actual tax benefit of the development and to calculate the actual payment to the developer.

ACCESSIBILITY IMPACTS

There are no accessibility implications associated with this report.

ENVIRONMENTAL IMPLICATIONS

The approval of this rehabilitation grant will assist with the redevelopment of this brownfield property and ensure that this contaminated site is properly remediated prior to development. A Record of Site Condition (RSC) will be required as per the funding agreement. Brownfield redevelopment is identified as a key strategy for promoting reinvestment in existing urban areas and for reducing the need to expand into greenfield sites. The remediation and redevelopment of brownfield sites assists in meeting the Environmental Strategy’s goal of “clean air, water and earth.”

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with this report.

TERM OF COUNCIL PRIORITIES

One of the City’s priorities, as a strategic direction, is planning and growth management. An important objective is to *respect the existing urban fabric, neighbourhood form and the limits of existing hard services, so that new growth is integrated seamlessly with established communities* (Code F2). The proposed commercial use of this underutilized site, made possible through rehabilitation, intensifies development within the City’s

current urban boundary. This will result in the more efficient use of existing infrastructure in a manner that enhances and complements the desirable characteristics of the area.

SUPPORTING DOCUMENTATION

- Document 1 Location Map
- Document 2 Aerial View
- Document 3 Rehabilitation Grant Application Requirements
- Document 4 Rehabilitation Grant-Eligible Costs
- Document 5 Calculating the Rehabilitation Grant/Development Charge Reduction
- Document 6 Estimated Future City Property Tax Increment and Annual Municipal/Education Grant Payable
- Document 7 Calculating the Development Charges Payable
- Document 8 Payment Option Scenarios
- Document 9 Elevations

DISPOSITION

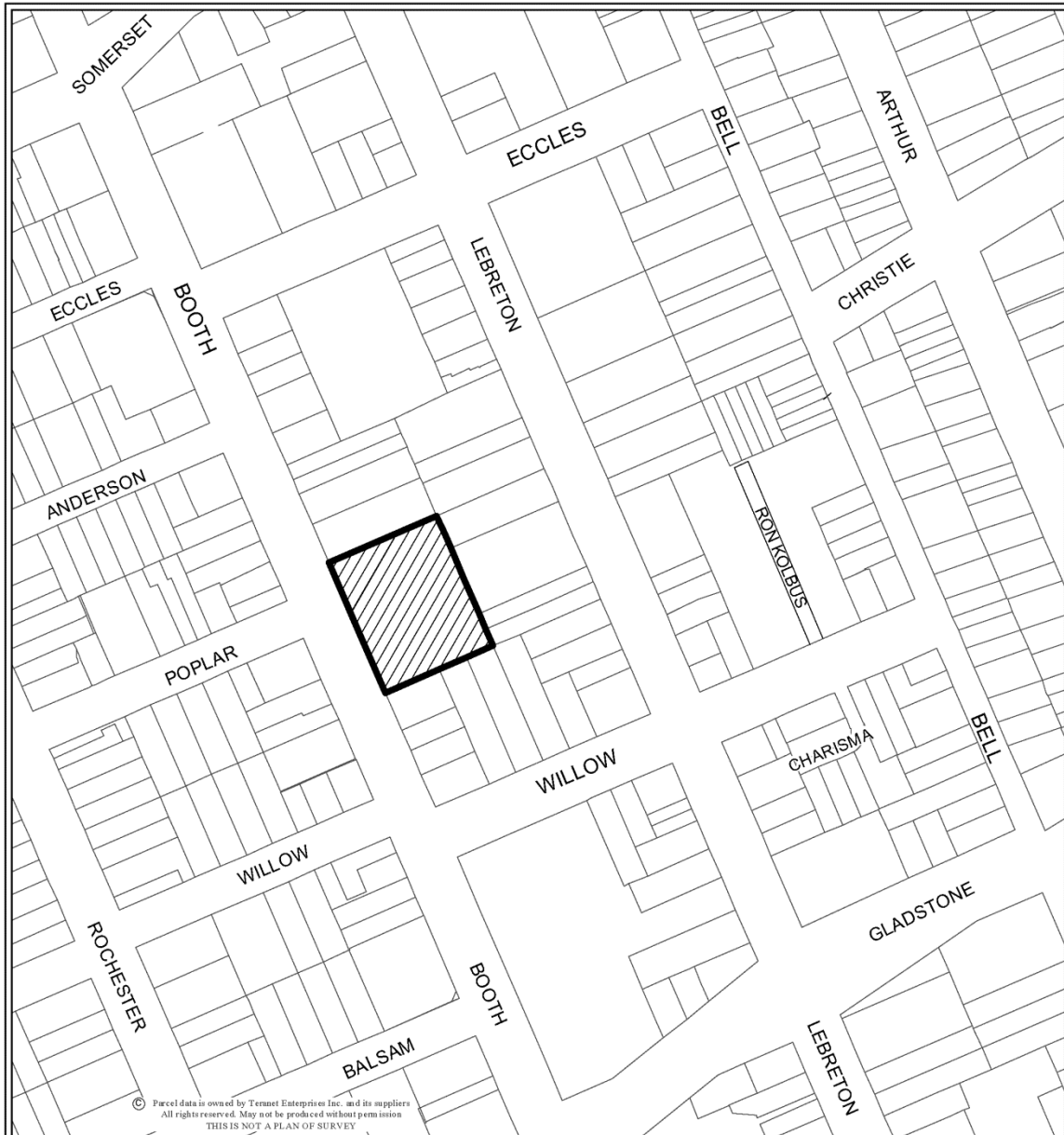
City Clerk and Solicitor Department, Legal Services to prepare the Brownfields Property Tax Assistance/Rehabilitation Grant Agreement.

Planning and Growth Management Department and Finance Department, Revenue Branch to develop a general administrative approach to implement the Brownfields Redevelopment Financial Incentive Program and more specifically for this application.

Planning and Growth Management Department to notify the applicant of Council's decision.

LOCATION MAP

DOCUMENT 1

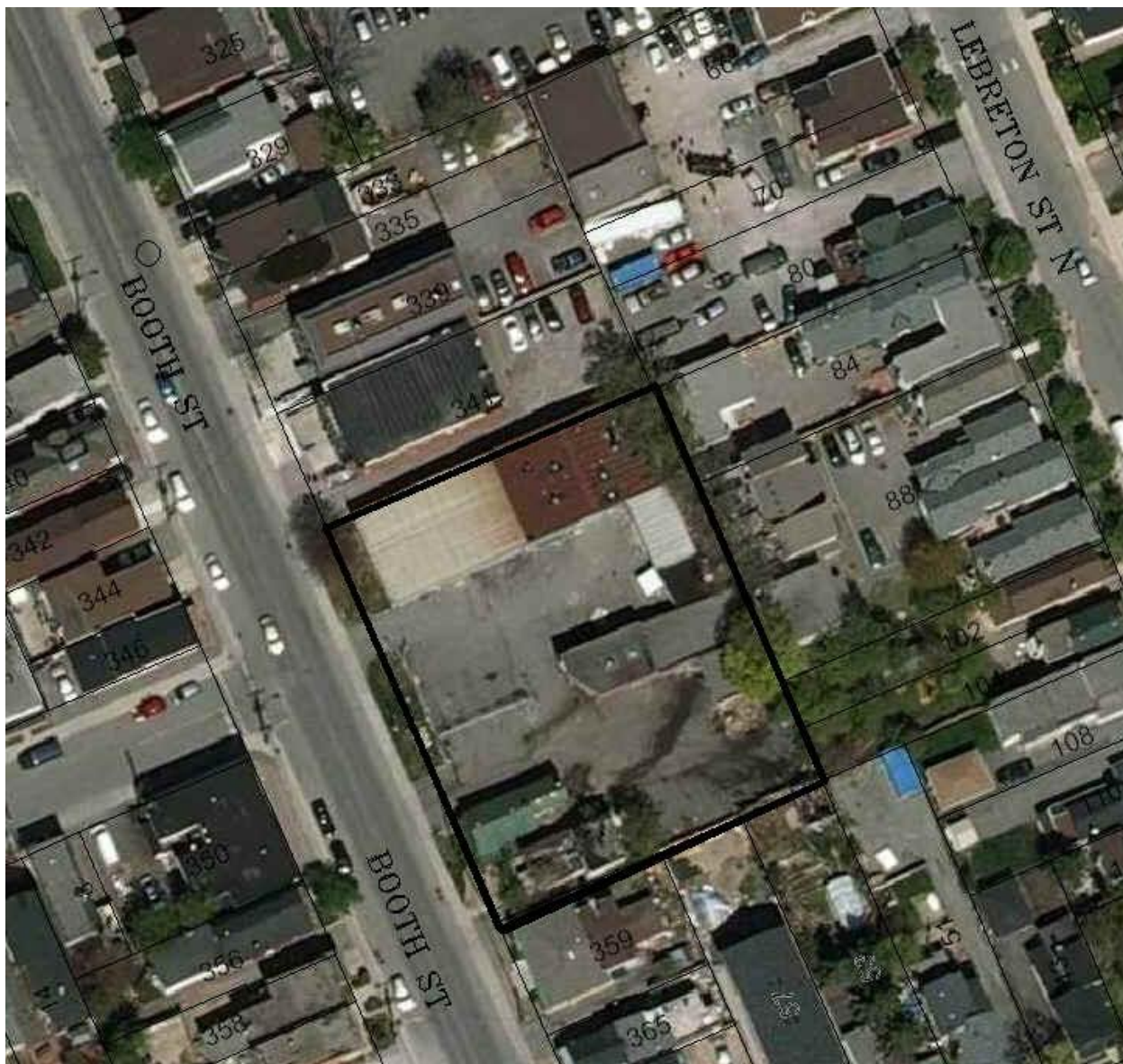


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THIS IS NOT A PLAN OF SURVEY

 Produced by Infrastructure Services and Community Sustainability Produit par le Services d'infrastructure et Viabilité des collectivités		 Location Map / Plan de révision Site Plan / Plan de emplacement 345 to 357 BOOTH STREET	Échelle N.T.S. Mètres  Scale N.T.S. Metres
F18-04-12-BOOT	12-1583-C		
I:\CO\2012\ Site Plan \ Booth345			
2012 / 11 / 01			
REVISION DATE DE RÉVISION			

AERIAL VIEW

DOCUMENT 2



REHABILITATION GRANT
APPLICATION REQUIREMENTS

DOCUMENT 3

A Brownfields Rehabilitation Grant program guide was prepared as part of the administration of the Brownfields financial incentives program. This program guide provides the detailed requirements to an applicant in order to file a complete application with the City for consideration of financial assistance under this grant program. The applicant is required to submit various technical documents to determine eligibility and costs eligible for the rehabilitation grant. The following documents are required:

- All environmental studies (Phase I ESA, Phase II ESA and Remedial Action Plan);

- Detailed work plan and cost estimate prepared by a qualified person (as defined by the *Environmental Protection Act* and Ontario Regulation 153/04, as amended), for all eligible environmental remediation and risk assessment/risk management works;
- A cost estimate provided by a bona fide contractor for eligible rehabilitation/redevelopment and demolition costs;
- A set of detailed architectural/design and/or construction drawings; and
- An estimated post-project assessment value prepared by a private sector property tax consultant.

The applicant (registered owner) or agent acting on behalf of the registered owner is required to fully complete the application including all required signatures and complete the sworn declaration.

REHABILITATION GRANT-ELIGIBLE COSTS

DOCUMENT 4

The costs eligible for a Brownfields Rehabilitation Grant for 345-357 Booth Street are estimated as follows:

	Eligible Costs	Estimated Cost
1	Environmental studies, Remedial Work Plan and Risk Assessment not covered by Environmental Site Assessment Grant Program	\$29,800
2	Environmental Remediation including the cost of preparing an Record of Site Condition	\$218,320
3	Placing clean fill and grading	\$0
4	Installing environmental and/or engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment	\$0
5	Monitoring, maintaining and operating environmental and engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment	\$0
6	Environmental Insurance Premiums	\$0
7	Leadership Program	\$0
8	Cost of Feasibility Study	\$0
9	30 % of Building Permit	\$54,380
10	Building demolition	\$72,000
11	Building Rehab	\$0
12	50 % of the upgrading costs for on-site infrastructure including	\$173,541

	water services, sanitary sewers and stormwater management facilities	
	Total Costs Eligible for Rehabilitation Grant	\$548,041

CALCULATING THE REHABILITATION GRANT/DEVELOPMENT CHARGE REDUCTION DOCUMENT 5

The Ottawa Brownfields Community Improvement Plan (CIP) specifies that, the total of all grants and development charge reductions shall not exceed 50 per cent of the cost of rehabilitating said lands and buildings.*

The owner is also eligible for the “Development Charge Reduction Due to Site Contamination” Program which allows a maximum reduction of development charges up to 50 per cent of eligible cost items but the amount received will be deleted from eligible grants for the Rehabilitation Grants Program. This program allows the owner to receive a credit at the time of application for building permits. The anticipated, total development charges for full build-out for this development are \$222,880. Eligible Development Charges of 50 per cent is equal to a credit of \$124,060. Actual Development Charge Reductions are applied at the time of building permit applications.

1	Total eligible Costs- from Document 4	\$548,041
2	Total capping at 50 per cent of line 1	\$274,020
3	Total of Rehabilitation Grant Payable and development charge credit	\$274,020

* The site is located at 345-357 Booth Street. The subject lands is located within the programs “priority area”. This location is therefore eligible for a grant equivalent to 50 per cent of the municipal property tax increase that results from the redevelopment, payable annually for up to 10 years, or until the time when the total grant payments equal the total eligible costs whichever comes first.

The total Brownfields Rehabilitation Grant payable is \$274,020 (line 3 above). The Development Charge Reduction program amount of \$124,060 applied for is included in this amount. The total maximum rehabilitation grant is therefore \$149,960.

ESTIMATED FUTURE CITY PROPERTY TAX INCREMENT AND ANNUAL MUNICIPAL\EDUCATION GRANT PAYABLE DOCUMENT 6

Pre-Project Property Tax Rates and Property Taxes

Current Value Assessment on the property at 345-357 Booth Street is \$935,000, classified in the commercial class and \$222,000 in the residential tax class. Current

(2012) property taxes are approximately \$30,177 broken down as follows:

Table 1

Municipal Property Tax portion	\$17,940
Education Property Tax Portion	\$12,237
Total Pre-Project Property Taxes	\$30,177

Based on a post-project assessment valuation prepared by *PTRS Property Tax Review Services*, as submitted as part of the application, and modified by staff to reflect a likely phase-in of assessment values, it is estimated that once the entire project is complete, the proposed 20 townhomes could have a post-project assessment value in excess of \$10,360,000 (2012\$). The estimated taxes to be generated from full build-out is \$126,493 (2012\$), see Table 2.

Table 2

Estimated Annual Post-Project Municipal\Education Property Taxes

Tax Class*	Estimated assessment	Estimated Municipal Tax	Estimated Education Tax	Estimated Total Tax
Residential	\$10,360,000	\$103,597	\$22,896	\$126,493

* Tax Class Residential

**CALCULATING THE
DEVELOPMENT CHARGES PAYABLE**

DOCUMENT 7

1	Total eligible Costs from application	\$ 548,041
2	Total capping at 50 per cent of line 1	\$ 274,020
3	Estimated Development Charges	\$ 222,880
4	Total cost eligible for DC reduction from application – total items 1 to 6 (Document 4)	\$ 248,120
5	Capping at 50 per cent of line 4 – development charge reduction	\$ 124,060
6	Development charge is reduced by the amount in line 5 (line 3 – line 5)	\$ 98,820 payable as DCs
7	Eligible cost cap is reduced by DC reduction (line 2 – line5)	\$ 149,960
8	Total potential grant	\$ 149,960

*The maximum reduction of development charges is 50 percent of the cost components of line 4 if the site is located in a priority area. This location would qualify as being in a priority area under the Brownfields CIP and therefore is

eligible for the 50 per cent maximum reduction.

**The environmental site assessment, remediation and grading costs and environmental insurance premiums cost component of an approved Rehabilitation Grant may be applied against development charges payable, subject to Council approval.

The development charge is reduced to \$98,820 (line 6 above) payable after the DC credit of \$124,060.

The total potential rehab grant payable is \$149,960 (line 8 above).

PAYMENT OPTION SCENARIOS

DOCUMENT 8

Table 1

Rehabilitation Tax Assistance (Municipal only) reduction with and DC Reduction								
Year	Base Tax	Proposed Tax	Increment	Eligible Amount	DC Reduction	Sub Total	Cumulative Grant Amt	BRADMIN 15%
1	\$17,940	\$ 17,940	\$ -	\$ -	\$124,060	\$124,060	\$124,060	\$ -
2	\$17,940	\$103,597	\$85,657	\$42,829	\$ -	\$ 42,829	\$166,889	\$ 6,424
3	\$17,940	\$103,597	\$85,657	\$42,829	\$ -	\$ 42,829	\$209,717	\$ 6,424
4	\$17,940	\$103,597	\$85,657	\$42,829	\$ -	\$ 42,829	\$252,546	\$ 6,424
5	\$17,940	\$103,597	\$85,657	\$21,474	\$ -	\$ 21,474	\$274,020	\$ 9,628
6	\$17,940	\$103,597	\$85,657	\$ -	\$ -	\$ -	\$274,020	\$ -
7	\$17,940	\$103,597	\$85,657	\$ -	\$ -	\$ -	\$274,020	\$ -
8	\$17,940	\$103,597	\$85,657	\$ -	\$ -	\$ -	\$274,020	\$ -
9	\$17,940	\$103,597	\$85,657	\$ -	\$ -	\$ -	\$274,020	\$ -
10	\$17,940	\$103,597	\$85,657	\$ -	\$ -	\$ -	\$274,020	\$ -
				\$149,960	\$124,060	\$274,020		\$28,900
					Rehabilitation Grant	\$149,960		
					DC Reduction	\$124,060		
					Total Grant	\$274,020		
	<u>Tax Form</u>	<u>Existing</u>	<u>Proposed</u>					
	Municipal	\$17,940	\$103,597					
	Education	\$12,237	\$ 22,896					
	Total	\$30,177	\$126,493					

BRADMIN is 15% of Proposed Tax Increment of City Portion

It is important to note that the tax increment is only an estimate and provides guidance on the order of magnitude of the possible payment under the assumption that the project would be completed, reassessed and taxes levied and paid in this period. The tax rates and all of the assessment valuation parameters are held constant for

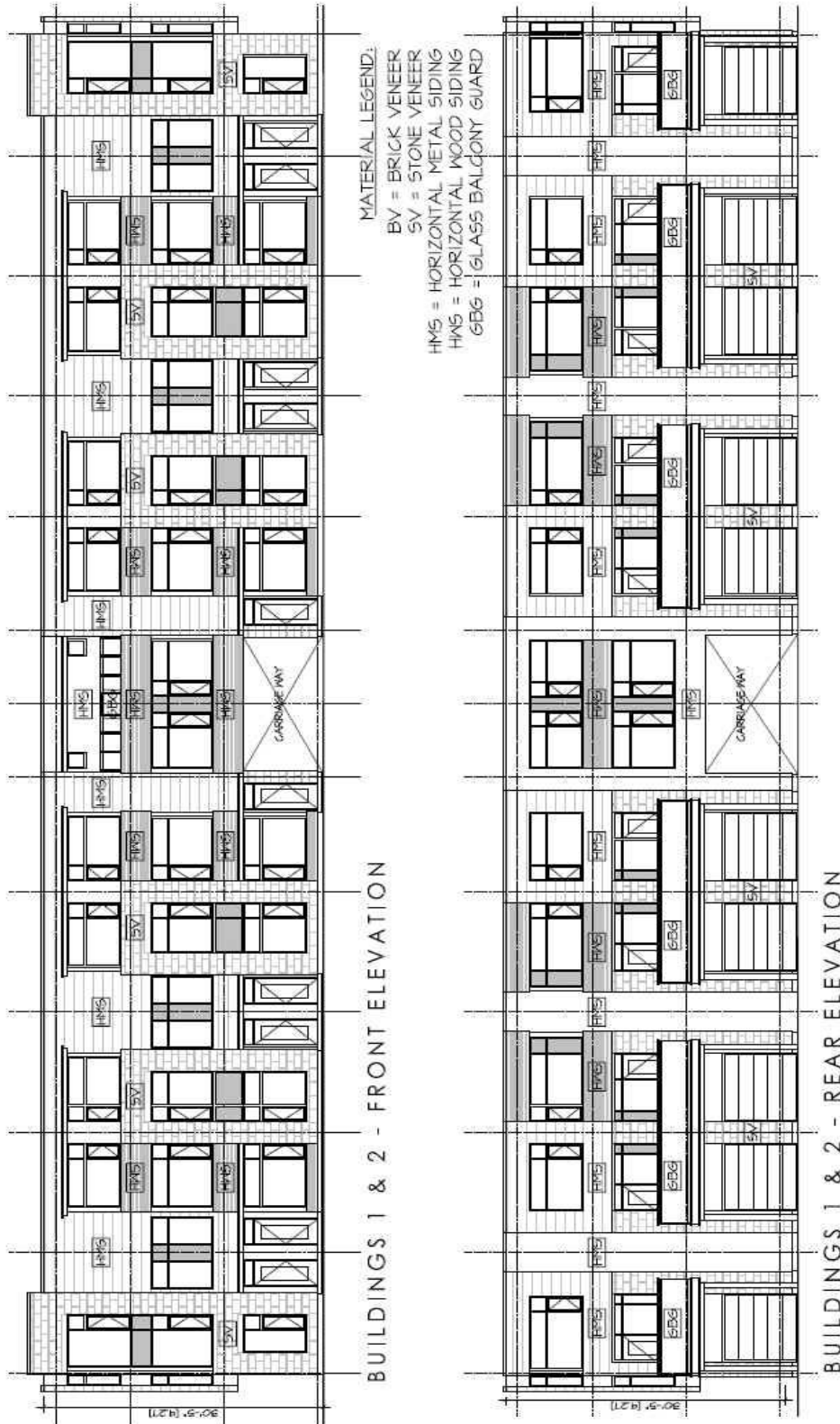
illustration purposes. In practice the assessed value would likely increase reflecting increasing property values. As well, there would likely be some increase in the annual municipal levy during the projection period.

The administration of the rehabilitation grant program would require that any grants to be paid be based on actual Municipal Property Assessment Corporation (MPAC) property assessment (including any resolution of appeals) of improved properties. The prevailing tax rate would be applied and only after taxes are paid in full for one year and only when the City is satisfied that all terms and conditions have been met as specified in the legal agreement between the City and the applicant would a tax rebate be issued. This rebate would be capped at 50 per cent of the municipal share of the increase in property taxes over the pre-project municipal property taxes paid.

In the administration of this grant each row would be calculated every year based on the new assessment, tax rate, taxes paid and actual municipal tax increment to establish the actual grant payment.

ELEVATIONS

DOCUMENT 9



**BARRY J.
HOBIN
& ASSOCIATES
ARCHITECTS
INCORPORATED**

Booth Street
FREEHOLD TOWNS - ELEVATIONS