

<b>4. BROWNFIELDS GRANT PROGRAM APPLICATION – 300 MOODIE DRIVE  DEMANDE DANS LE CADRE DU PROGRAMME DE SUBVENTION POUR LES FRICHES INDUSTRIELLES – 300, PROMENADE MOODIE</b>
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**COMMITTEE RECOMMENDATIONS**

**That Council:**

- 1. Replace the previous Brownfield Grant Approval for 300 Moodie Drive that was issued in 2015 with a new approval for a Brownfields Property Tax Assistance/Rehabilitation Grant application submitted by Colonnade Hotel Investment G.P. Inc., owner of the property at 300 Moodie Drive, under the Brownfield Redevelopment Community Improvement Plan Program not to exceed \$687,593 over a maximum of five years, subject to the establishment of, and in accordance with, the terms and conditions of the Brownfields Property Tax Assistance and Rehabilitation Grant Agreement; and**
- 2. Delegate the authority to the General Manager, Planning, Infrastructure and Economic Development, to execute a Brownfields Property Tax Assistance and Rehabilitation Grant Agreement with Colonnade Hotel Investment G.P. Inc., establishing the terms and conditions governing the payment of the brownfields grant for the redevelopment of 300 Moodie Drive, to the satisfaction of the General Manager, Planning, Infrastructure and Economic Development, the City Clerk and Solicitor and the City Treasurer.**

**RECOMMANDATIONS DU COMITÉ**

**Que le Conseil :**

- 1. remplace l'approbation précédente, accordée en 2015, de la demande présentée dans le cadre du Programme de subvention pour les friches industrielle visant le 300, promenade Moodie, par une**

nouvelle approbation de la demande de participation au Programme d'allègement de l'impôt foncier et de subvention pour la remise en valeur des friches industrielles qui a été soumise par la société Colonnade Hotel Investment G.P. Inc., propriétaire du bien-fonds situé au 300, promenade Moodie, dans le cadre du Programme d'améliorations communautaires pour le réaménagement des friches industrielles, la subvention n'excédant pas 687 593 \$ sur une période maximale de cinq ans, sous réserve de la conclusion d'une entente d'allègement de l'impôt foncier et de subvention pour la remise en valeur des friches industrielles, et conformément à ses modalités;

2. délègue au directeur général de la Planification, de l'Infrastructure et du Développement économique le pouvoir de conclure une telle entente avec Colonnade Hotel Investment G.P. Inc., laquelle établira les modalités de paiement de la subvention permettant le réaménagement du 300, promenade Moodie, à la satisfaction du directeur général de la Planification, de l'Infrastructure et du Développement économique, du greffier municipal et avocat général, et de la trésorière municipale.

#### DOCUMENTATION/DOCUMENTATION

1. Director's report, dated 22 February 2019 (ACS2019-PIE-PS-0026).

Rapport de la Directrice, daté le 22 février 2019 (ACS2019-PIE-PS-0026 ).

**Report to  
Rapport au:**

**Finance and Economic Development Committee / Comité des finances et du  
développement économique  
March 5, 2019 / 5 mars 2019**

**and Council / et au Conseil  
March 27, 2019 / 27 mars 2019**

**Submitted on February 22, 2019  
Soumis le 22 février 2019**

**Submitted by  
Soumis par:  
Lee Ann Snedden,  
Director / Directrice,  
Planning Services / Service de la planification  
Planning, Infrastructure and Economic Development Department / Services de la  
planification, de l'infrastructure et du développement économique**

**Report Author / Auteur du rapport:  
Gabrielle Schaeffer  
Senior Engineer / Gestionnaire de project, Development Review West Services  
Unit / Unité examen des demandes d'aménagement services ouest  
613-580-2424, 22517, Gabrielle.Schaeffer@ottawa.ca**

**Ward: COLLEGE (8) / COLLÈGE (8)**

**File Number: ACS2019-PIE-PS-0026**

**SUBJECT: Brownfields Grant Program Application – 300 Moodie Drive**

**OBJET: Demande dans le cadre du Programme de subvention pour les  
friches industrielles – 300, promenade Moodie**

## **REPORT RECOMMENDATIONS**

**That Finance and Economic Development Committee recommend Council:**

- 1. Replace the previous Brownfield Grant Approval for 300 Moodie Drive that was issued in 2015 with a new approval for a Brownfields Property Tax Assistance/Rehabilitation Grant application submitted by Colonnade Hotel Investment G.P. Inc., owner of the property at 300 Moodie Drive, under the Brownfield Redevelopment Community Improvement Plan Program not to exceed \$687,593 over a maximum of five years, subject to the establishment of, and in accordance with, the terms and conditions of the Brownfields Property Tax Assistance and Rehabilitation Grant Agreement; and**
- 2. Delegate the authority to the General Manager, Planning, Infrastructure and Economic Development, to execute a Brownfields Property Tax Assistance and Rehabilitation Grant Agreement with Colonnade Hotel Investment G.P. Inc., establishing the terms and conditions governing the payment of the brownfields grant for the redevelopment of 300 Moodie Drive, to the satisfaction of the General Manager, Planning, Infrastructure and Economic Development, the City Clerk and Solicitor and the City Treasurer.**

## **RECOMMANDATIONS DU RAPPORT**

**Que le Comité des finances et du développement économique recommande au Conseil :**

- 1. de remplacer l'approbation précédente, accordée en 2015, de la demande présentée dans le cadre du Programme de subvention pour les friches industrielle visant le 300, promenade Moodie, par une nouvelle approbation de la demande de participation au Programme d'allègement de l'impôt foncier et de subvention pour la remise en valeur des friches industrielles qui a été soumise par la société Colonnade Hotel Investment G.P. Inc., propriétaire du bien-fonds situé au 300, promenade Moodie, dans le cadre du Programme d'améliorations communautaires pour le réaménagement des friches industrielles, la subvention n'excédant pas 687 593 \$ sur une période maximale de cinq ans, sous réserve de la conclusion d'une entente d'allègement de l'impôt foncier et de subvention pour la remise en valeur des friches industrielles, et conformément à ses modalités;**

- 2. de déléguer au directeur général de la Planification, de l'Infrastructure et du Développement économique le pouvoir de conclure une telle entente avec Colonnade Hotel Investment G.P. Inc., laquelle établira les modalités de paiement de la subvention permettant le réaménagement du 300, promenade Moodie, à la satisfaction du directeur général de la Planification, de l'Infrastructure et du Développement économique, du greffier municipal et avocat général, et de la trésorière municipale.**

## **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, and October 14, 2013.

The BRCIP presents the rationale behind brownfield redevelopment 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 Property Tax Assistance Program and the Brownfields Rehabilitation Grant Program.

Colonnade Hotel Investment G.P. Inc. has filed an application under the BRCIP for the clean up and redevelopment of 300 Moodie Drive, having a lot area of 9300 square metres and 130 metres frontage on Moodie Drive (see Documents 1, 2 and 8). The property's previous uses may have contributed to a portion of the onsite contamination, which are excluded from this application. The portion of the contamination that has migrated from adjacent properties will be covered in the application.

In 2015, prior to the Council approved BRCIP amendment, a BRCIP application was filed by Colonnade Development Incorporated for a partial site clean up and partial site redevelopment. This application was approved by Council on February 10, 2016, however no agreement was signed. The Owner, now known as Colonnade Hotel Investment G.P. Inc, opted to file for a larger site clean up and larger site redevelopment under the amended BRCIP program.

In 2017 Colonnade Hotel Investment G.P. Inc. applied for a Bells Corners Community Improvement Plan (CIP) grant for 300 Moodie Drive and received Council approval for

this grant on October 11, 2017. The CIP Agreement was registered on October 11, 2018 as Instrument No. OC2044241. The Bells Corners CIP grant is a Tax Increment Equivalent Grant (TIEG) subject to a maximum of \$2,320,420 over the 10-year grant period. Please note, applicants are able to apply for both the Bells Corners CIP and the Brownfield Redevelopment CIP as long as the total of both grants do not exceed the construction value of the re-development nor more than \$5,000,000. The construction value for this site's redevelopment is over \$20,862,650 and both grants, if approved, will be less than the \$5,000,000 maximum criteria.

Additionally, Colonnade Hotel Investment G.P. Inc. submitted a Site Plan Application for the proposed redevelopment of 300 Moodie Drive under City file number is D07-12-18-0057. Site Plan Approval was obtained on December 18, 2018. A draft Site Plan Agreement has been prepared and is currently being reviewed by Colonnade Hotel Investment G.P. Inc.

This site is outside of the priority areas and will be eligible for grant payments up to five years.

The purpose of this report is to bring the application before the Finance and Economic Development Committee and Council for consideration and approval.

## **DISCUSSION**

The Ottawa BRCIP specifies grants available to the development industry. This application is processed based on the 2015 BRCIP for the Brownfields Rehabilitation Grant and the Brownfields Property Tax Assistance programs. The total grants from these programs shall not exceed 50 per cent of the eligible costs (with the provision that eligible costs seven (7) to twelve (12), shown in Document 4, cannot exceed 15 per cent of the total eligible items being submitted for grant) specific to the program for rehabilitating said lands and buildings. If the development does not proceed, no grants are paid.

The Brownfields Redevelopment Grant Program includes a Property Tax Assistance Program as well as a Rehabilitation Grant program, which are tax-increment-based grants funded through the tax increase that results from redevelopment of the property. The Property Tax Assistance Program cancels the property tax increase for up to three years, or up to the time when the cancelled property tax amount equals a portion of the grant amount, specifically 50 per cent of eligible costs one to six, shown in Document 4. The Rehabilitation Grant Program is limited to 85 per cent of the increase in municipal tax and is payable annually for up to five years, or up to the time when the total grant

payments equal the maximum amount of grant, whichever comes first. The Rehabilitation Grant program starts once the Property Tax Assistance program ends. The City will only pay the annual grant after property taxes have been paid in full each year.

#### Colonnade Hotel Investment G.P. Inc. Grant Application

The required documents that are to be submitted to the City as part of a Brownfields Redevelopment Grant Program application are described in Document 3. Staff reviewed the submissions and deemed the application to be complete as of December 4, 2018.

A Supplemental Phase II Environmental Site Assessment prepared by One Nation Engineering Inc. on June 2, 2015, identified fill material and groundwater at the subject site as exceeding the Ontario Ministry of the Environment, Conservation and Parks (MECP) Table 3 standards for various chlorinated aliphatic hydrocarbons (CAH) parameters, likely stemming from the associated use of the property and adjacent properties. Additional samples were taken in 2016 and 2017 by One Nation Inc. Paterson Group completed a Phase II Environmental Site Assessment update in 2019 summarizing the 2016 and 2017 One Nation Inc. data for groundwater samples.

#### Proposed Remediation

The suggested remedial action plan consists of a generic approach, where excavation and disposal at an approved waste disposal facility would be undertaken. This will involve the excavation of depths up to 5 metres below grade to remove CAH impacted soil and groundwater. Overburden soils will be stripped, segregated, and impacted soil will be disposed off-site. Excavated soil will be screened using visual and olfactory observations as well as a portable soil vapour analyser. Field observations will be used in combination with the collection and analysis of verification samples to determine the excavation limits. Non-impacted soil will be stockpiled on-site for possible reuse. The stockpiled material will be sampled for contaminants of concern prior to re-use. Impacted soil will be placed in trucks and hauled to an approved waste disposal facility (approximately 6,000 cubic metres or 12,000 metric tonnes). A confirmatory soil sampling program will be completed to ensure the site meets MECP Table 3 standards.

Based on the most recent analytical test results, the groundwater beneath the site is considered to exceed the MECP Table 3 standards for CAH. A portable treatment system will be installed to treat on-site accumulated groundwater by means of granular activated carbon. The excavation on-site will allow groundwater to accumulate for treatment purposes. The groundwater treatment system, consisting of one unit, will

remain in place until the on-site groundwater concentrations are in compliance with MECP Table 3 standards and City of Ottawa Sewer Use By-law. If groundwater infiltration and pumping quantities exceed 50,000 litres per day, a permit to take water (PTTW) from MECP will be obtained prior to commencing pumping operations. Post remediation groundwater wells will be installed on-site and sampled to confirm groundwater is in compliance with MECP Table 3 standards. The remediation program is expected to be complete at approximately four months.

A concrete barrier will be installed along the western property boundary and along a portion of the northwestern property boundary to prevent contaminants from off site from migrating onto 300 Moodie Drive post site remediation.

Additionally, demolition of the existing building is required.

#### Proposed Redevelopment

The proposed commercial development for the site consists of a six-storey, 140 unit, hotel, as well as a 525 square metre restaurant, all serviced by on-site surface parking, new servicing and new landscaping.

#### Calculating the Brownfield Redevelopment Grant

Under the BRCIP guide, the applicant is required to submit various technical documents to determine eligibility as well as the costs eligible for the Property Tax assistance and Rehabilitation Grant. Staff have reviewed the submissions and has determined that the total costs eligible for a Property Tax Assistance/Rehabilitation Grant under the program are \$1,375,185.

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 brownfields grant to be \$687,593 (see Document 5).

The ability to receive the grant occurs through the Property Tax Assistance and Rehabilitation Grant processes, which deal with the timing for the payouts of the grants. As part of the process, the Municipal Leadership Strategy Program runs in parallel to the payments of the Rehabilitation Grant. The following programs are as follows:

The ability to receive the brownfields grant can occur through a number of individual programs with varied timing for the payouts of the grants.

- Property Tax Assistance



Grants, paid in the form of property tax rebates, would be capped at 100 per cent of the municipal and education (education portion subject to Ministry of Finance approval) share of the increase in property taxes that result from the redevelopment, payable annually for up to three years or, up to the time when the total grant payments equal the total eligible grants, 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.

- **Rehabilitation Grant**

Grants would be capped at 85 per cent of the municipal share of the increase in property taxes that result from the redevelopment, payable annually for up to five years or, up to the time when the total grant payments equal the total eligible grants, 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.

- **Municipal Leadership Strategy Program**

As part of the Brownfields Grant Program, a Municipal Leadership Strategy is a general program of municipal property acquisition, investment and involvement in pilot projects with the private sector to remediate and rehabilitate brownfield sites in Ottawa. The program is funded from 15 per cent of the increment that is retained by the City as a result of properties participating in the Rehabilitation Grant Program and is placed into a Municipal Leadership Account. This account will function as a revolving fund. The allocation of 15 per cent of the tax increment that is retained by the City to the Municipal Leadership Account will end when the Property Tax Assistance Grant Program ends. At that time, the City may return funds remaining in the Municipal Leadership Account to general revenues or continue to utilize these funds for Leadership activities until the Municipal Leadership Account is exhausted. The anticipated total funding under this program for this site is estimated at \$49,445 to be collected after the third taxation year of the new development.

### **Economic Benefits to the Community**

The overall economic impact of the proposed commercial development is estimated at over \$20 million 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, the construction period through payroll, purchased material supplies, services, and equipment rentals.

Over \$20 million in new commercial assessment would be added to the property tax assessment roll at full development. Altus Group estimates over \$500,000 per year in increased municipal property and education taxes can be expected at the completion of the project, after the Brownfield grant ends, which would subsequently go to the City's general revenues (see Document 6).

### **RURAL IMPLICATIONS**

There are no rural implications associated with this report.

### **CONSULTATION**

There was no public consultation for this report.

### **COMMENTS BY THE WARD COUNCILLOR**

The Councillor is aware of the application related to this report.

### **LEGAL IMPLICATIONS**

There are no legal impediments to approving the recommendations contained in this report.

### **RISK MANAGEMENT IMPLICATIONS**

There are no risk management implications associated with this report.

### **ASSET MANAGEMENT IMPLICATIONS**

There are no asset management implications associated with the recommendations of this report.

### **FINANCIAL IMPLICATIONS**

The maximum grant under the 2015 Brownfield Redevelopment Community Improvement Plan Program is \$687,593. The estimated Municipal Leadership Strategy contribution is \$49,445. Budget authority requirements will be brought forward through the annual budget process.

## **ACCESSIBILITY IMPACTS**

There is 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.

## **TERM OF COUNCIL PRIORITIES**

This project addresses the following Term of Council Priorities:

- TM2 – Maximize density in and around transit stations.
- SE1 – Improve the client experience through established service expectations.
- FS2 – Align strategic priorities to Council's financial targets.

## **SUPPORTING DOCUMENTATION**

Document 1 Location Map

Document 2 Aerial View

Document 3 Brownfields Redevelopment Grant Application Requirements

Document 4 Brownfields Redevelopment Grant - Eligible Costs

Document 5 Calculating the Property Tax assistance/Rehabilitation Grant

Document 6 Estimated Future City Property Tax Increment and Annual  
Municipal/Education Grant Payable

Document 7 Payment Option Scenario

Document 8 Site Plan

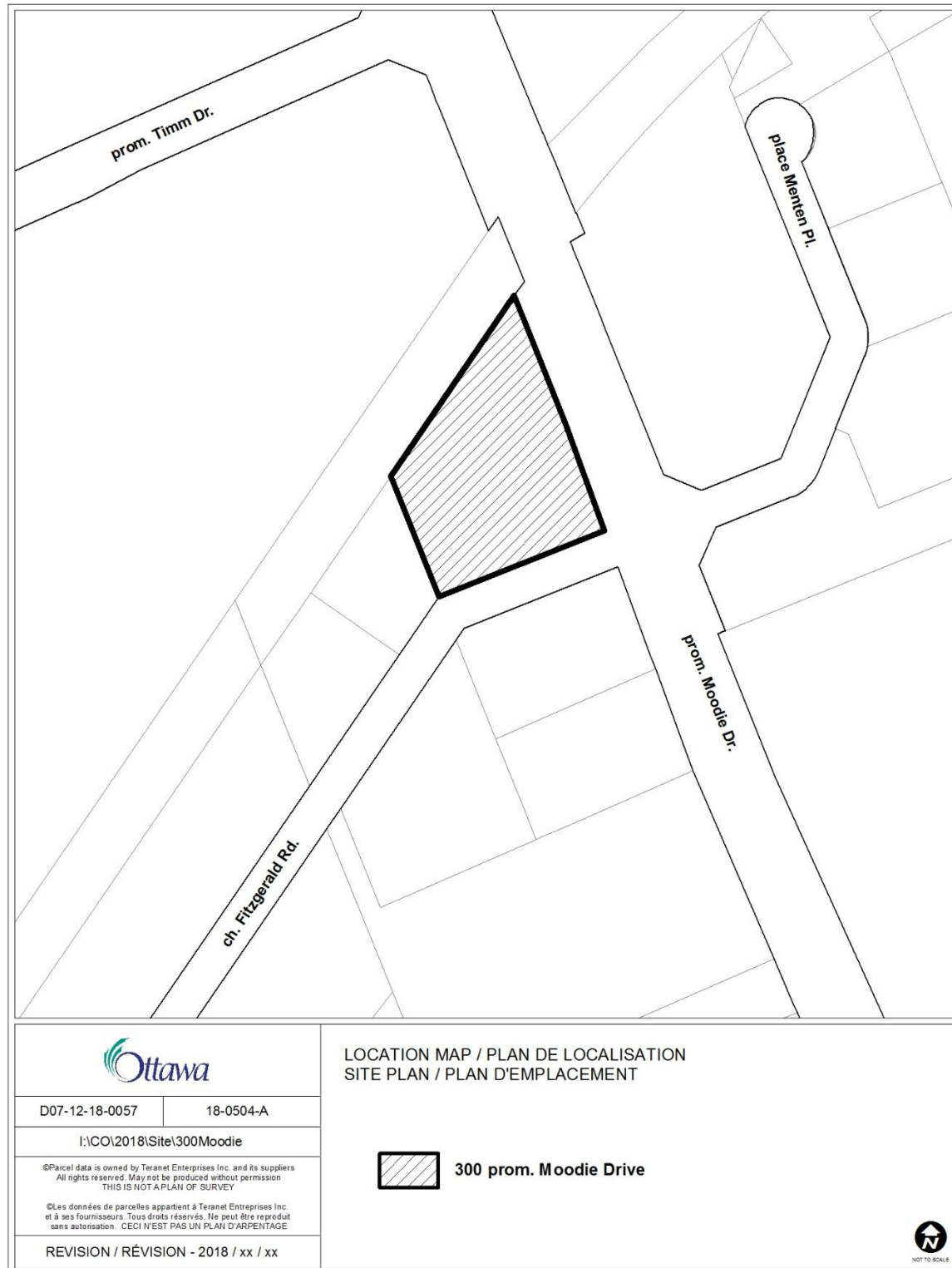
## **DISPOSITION**

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

Planning, Infrastructure and Economic Development 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, Infrastructure and Economic Development Department to notify the applicant of Council's decision.

Document 1 – Location Map



**Document 2 – Aerial View**



### **Document 3 – Brownfields Redevelopment Grant Application Requirements**

A Brownfields Redevelopment 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 II ESAs 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.

**Document 4 – Brownfields Redevelopment Grant – Eligible Costs**

The costs eligible for a Brownfields Redevelopment Grant for 300 Moodie Drive are estimated as follows:

Table 1 - Eligible Cost and Estimated Cost

	Eligible Costs	Estimated Cost
1	Phase II Environmental Site Assessments, Remedial Action Plan and Risk Assessment not covered by Environmental Site Assessment Grant Program	\$127,200
2	Environmental Remediation including the cost of preparing an Record of Site Condition	\$824,652
3	Placing clean fill and grading	\$167,055
4	Installing environmental and/or engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment	N/A
5	Monitoring, maintaining and operating environmental and engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment	\$50,000
6	Environmental Insurance Premiums	N/A
<b>Sub-Total</b>	<b>Total Costs eligible for Property Tax Assistance (1-6)</b>	<b>\$1,168,907</b>
7	Leadership Program	N/A
8	Cost of Feasibility Study	\$10,000
9	30% of Building Permit	N/A
10	50% of Building demolition and asbestos Abatement	\$135,975
11	Building rehabilitation and Retrofit Works	N/A



12	50% of the upgrading costs for on-site infrastructure including water services, sanitary sewers and stormwater management facilities	\$179,343
	<b>Total Costs Eligible for Rehabilitation Grant (1-12)</b>	<b>\$1,494,225</b>

**Document 5 – Calculating the Property Tax Assistance/Rehabilitation Grant**

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 applied for the Property Tax Assistance program which allows 50 per cent of eligible cost items one to six, but the amount received will be deleted from eligible grant for the Brownfields Rehabilitation Grant Program. The Property Tax Assistance program allows the owner to receive 100 per cent of the increase in municipal tax for a maximum of three years or when the total eligible amount is reached, whichever comes first. The anticipated, total Property Tax Assistance portion is \$584,454. The remaining grant eligible costs will be provided to the owner via 85 per cent of the increase in municipal tax for a maximum of five years, or when the total eligible amount is reached, whichever comes first. The anticipated, remaining portion of the Brownfield Redevelopment Grant available to the Rehabilitation Grant is \$103,139. The two programs' grants total \$687,593.

**Table 2 - Total eligible costs**

1	Total grant eligible Costs, Items 1-6, from Document 4	\$584,454
2	Total grant eligible Costs, Items 7-12, from Document 4	\$103,139
3	Total of Property Tax Assistance/ Rehabilitation Grant Payable	\$687,593

**Document 6 – Estimated Future City Property Tax Increment and Annual  
Municipal/Education Grant Payable**

**Pre-Project Property Tax Rates and Property Taxes**

The 2016 tax year Value Assessment on the property at 300 MOODIE DRIVE was \$2,111,000, classified in the commercial tax class. Current (2019 tax year) property taxes are approximately \$58,495 broken down as follows:

**Table 3 - Current (2018 tax year) Property Taxes**

Municipal Property Tax portion	\$35,064
Education Property Tax portion	\$23,431
<b>Total Pre-Project Property Taxes</b>	<b>\$58,495</b>

Based on a post-project assessment valuation prepared by Altus Group Tax Consulting Paralegal Professional Corporation, as submitted as part of the application, it is estimated that once the entire project is complete, the proposed development could have a post-project assessment value of \$20,862,500 (based on an effective valuation date of 2016). The estimated taxes (Municipal and Education) to be generated from full build-out is \$563,601 (2021 tax year), see Table 4.

**Table 4 - Estimated Annual Post-Project Municipal\Education Property Taxes  
(2021)**

Tax Class	Estimated assessment (2016)	Estimated Municipal Tax (2021)	Estimated Education Tax (2021)	Estimated Total Tax (2021)
Commercial	\$20,054,000	\$342,818	\$220,783	\$563,601

**Document 7 – Payment Option Scenario**

Table 1

Property Tax Assistance Program, and Rehabilitation Grant Program								
Site Address: 300 Moodie Drive								
Year	Base Tax	Proposed Tax	Increment	Eligible Amount		Applied Amount	Cummulative Grant Amount	Municipal Leadship
				Property Tax	Rehab Grant			
0 (2019)	\$ 35,064	\$ 35,064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1 (2020)	\$ 35,064	\$ 336,096	\$ 301,032	\$ 301,032	\$ -	\$ 301,032	\$ 301,032	\$ -
2 (2021)	\$ 35,064	\$ 342,818	\$ 307,754	\$ 283,422	\$ 20,682	\$ 304,104	\$ 605,136	\$ 3,650
3 (2022)	\$ 35,064	\$ 340,363	\$ 305,299	\$ -	\$ 82,457	\$ 82,457	\$ 687,593	\$ 45,795
4 (2023)	\$ 35,064	\$ 339,142	\$ 304,078	\$ -	\$ -	\$ -	\$ -	\$ -
5 (2024)	\$ 35,064	\$ 337,926	\$ 302,862	\$ -	\$ -	\$ -	\$ -	\$ -
Total				\$ 584,454	\$ 103,139	\$ 687,593	\$ 49,445	

Municipal Leadship Strategy is 15 % of the increment that is retained by the City.  
Tax Assistance and Rehabilitation Grant \$ 687,593

Tax Form	Existing (2019)	Proposed (2021)
Municipal	\$ 35,064	\$ 342,818
Education	\$ 23,431	\$ 220,783
Total	\$ 58,495	\$ 563,601

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 property tax assistance and 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.

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.

## Document 8 – Site Plan

