

**9. BROWNFIELD GRANT PROGRAM APPLICATION – 1545 BANK STREET**

**DEMANDE AU TITRE DU PROGRAMME DE SUBVENTION DES FRICHES  
INDUSTRIELLES – 1545, RUE BANK**

**COMMITTEE RECOMMENDATIONS, AS AMENDED**

**That Council:**

- 1. Approve the Brownfield Rehabilitation Grant application submitted by 10773883 Canada Inc., FES Development Inc., owner of the property at 1545 Bank Street, for a Rehabilitation Grant under the Brownfield Redevelopment Community Improvement Plan Program not to exceed a total of \$161,345 for which the grant payment period will be phased over a maximum of 10 years of development, subject to the establishment of, and in accordance with, the terms and conditions of the Brownfield Redevelopment Grant Agreement;**
- 2. Delegate the authority to the General Manager, Planning, Infrastructure and Economic Development, to execute a Brownfields Redevelopment Grant Agreement with 10773883 Canada Inc., FES Development Inc., establishing the terms and conditions governing the payment of the grant for the redevelopment of 1545 Bank Street, to the satisfaction of the General Manager, Planning, Infrastructure and Economic Development Department, the City Solicitor and the City Treasurer; and**
- 3. Add the following paragraph to the Financial Implications section of the report:**  
  
**“The maximum grant under the 2015 Brownfield Redevelopment Community Improvement Plan Program is \$161,345. In addition, the estimated Municipal Leadership Strategy contribution is \$36,940, for a total requirement of \$198,285. Budget authority requirements will be brought forward through the annual budget process. Development Charges of \$143,290 are eligible for deferral under the Development Charge Deferral Program. Deferred DCs would be subject to interest.”**

## **RECOMMANDATIONS DU COMITÉ, TELLES QUE MODIFIÉES**

Que le Conseil :

1. Approuve la demande de subvention pour la remise en valeur des friches industrielles présentée par 10773883 Canada inc., FES Development inc., propriétaire du 1545, rue Bank, dans le cadre du Plan d'amélioration communautaire pour le réaménagement des friches industrielles, pour un montant total n'excédant pas 161 345 \$ sur une période maximale de 10 ans, sous réserve de la conclusion d'une entente de subvention pour le réaménagement 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 entente de subvention pour le réaménagement des friches industrielles avec 10773883 Canada inc., FES Development inc., dans laquelle seront établies les modalités de paiement de la subvention pour le réaménagement du 1545, rue Bank, et qui devra être approuvée par le directeur général de la Planification, de l'Infrastructure et du Développement économique, l'avocat général et la trésorière municipale; et
3. ajoute le paragraphe suivant à la section des répercussions financières du rapport :  
  
« Le montant maximal des subventions offertes dans le cadre du Plan d'amélioration communautaire pour le réaménagement des friches industrielles de 2015 est de 161 345 \$. De plus, la contribution estimée dans le cadre de la stratégie municipale en matière de leadership est de 36 940 \$, pour un besoin total de 198 285 \$. Les autorisations budgétaires nécessaires seront demandées lors du processus budgétaire annuel. Les redevances d'aménagement s'élèvent à 143 290 \$, montant admissible au Programme de report des redevances d'aménagement (des intérêts s'appliqueront au montant reporté). »

DOCUMENTATION/DOCUMENTATION

1. Acting Director's report, Planning Services, Planning, Infrastructure and Economic Development, 19 February 2020 (ACS2020-PIE-PS-0025).

Rapport du Directeur par intérim, Services de la planification, de l'infrastructure et du développement économique, daté le 19 février 2020 (ACS2020-PIE-PS-0025).

2. Extract of draft Minutes, Finance and Economic Development Committee, 9 March 2020.

Extrait de l'ébauche du procès-verbal, Comité des finances et du développement économique, le 9 mars 2020.

**Report to  
Rapport au:**

**Finance and Economic Development Committee / Comité des finances et du  
développement économique  
March 9, 2020 / 9 mars 2020**

**and Council / et au Conseil  
March 25, 2020 / 25 mars 2020**

**Submitted on February 19, 2020  
Soumis le 19 février 2020**

**Submitted by**

**Soumis par:**

**Douglas James**

**Acting Director / Directeur par intérim**

**Planning Services / Services de la planification**

**Planning, Infrastructure and Economic Development Department / Direction  
générale de la planification, de l'infrastructure et du développement économique**

**Contact Person**

**Personne ressource:**

**Jessica Valic**

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**Development Review Branch / Direction de l'examen des demandes  
d'aménagement, Planning Services / Services de la planification**

**613-580-2424, 15672, Jessica.Valic@ottawa.ca**

**Ward: ALTA VISTA (18)**

**File Number: ACS2020-PIE-PS-0025**

**SUBJECT: Brownfield Grant Program Application – 1545 Bank Street**

**OBJET: Demande au titre du programme de subvention des friches  
industrielles – 1545, rue Bank**

**REPORT RECOMMENDATIONS**

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

- 1. Approve the Brownfield Rehabilitation Grant application submitted by 10773883 Canada Inc., FES\_Development Inc., owner of the property at 1545 Bank Street, for a Rehabilitation Grant under the Brownfield Redevelopment Community Improvement Plan Program not to exceed a total of \$161,345 for which the grant payment period will be phased over a maximum of 10 years of development, subject to the establishment of, and in accordance with, the terms and conditions of the Brownfield Redevelopment Grant Agreement;**
- 2. Delegate the authority to the General Manager, Planning, Infrastructure and Economic Development, to execute a Brownfields Redevelopment Grant Agreement with 10773883 Canada Inc., FED Development Inc., establishing the terms and conditions governing the payment of the grant for the redevelopment of 1545 Bank Street, to the satisfaction of the General Manager, Planning, Infrastructure and Economic Development Department, the Innovative Client Services and the City Treasurer.**

#### **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 des friches industrielles présentée par 10773883 Canada inc., FED Development inc., propriétaire du 1545, rue Bank, dans le cadre du Plan d'amélioration communautaire pour le réaménagement des friches industrielles, pour un montant total n'excédant pas 161 345 \$ sur une période maximale de 10 ans, sous réserve de la conclusion d'une entente de subvention pour le réaménagement des friches industrielles, et conformément à ses modalités;**
- 2. Déléguer au directeur général de la Planification, de l'Infrastructure et du Développement économique le pouvoir de conclure une entente de subvention pour le réaménagement des friches industrielles avec 10773883 Canada inc., FED Development inc., dans laquelle seront établies les modalités de paiement de la subvention pour le réaménagement du 1545, rue Bank, et qui devra être approuvée par le directeur général de la Planification, de l'Infrastructure et du Développement économique, l'avocat général et 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 Brownfield Redevelopment Community Improvement Plan (BRCIP) was adopted by Council on April 27, 2007 and amended by Council on May 12, 2010, and October 14, 2015. This report is in conformance with the October 14, 2015 BRCIP.

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

10773883 Canada Inc., FED Development Inc., filed an application under BRCIP for the clean-up and redevelopment of 1545 Bank Street, having a lot area of approximately 2,218 square metres (0.22 ha) with 48.8 metres frontage along Bank Street and 45.5 metres frontage along Evans Boulevard (see Documents 1, 2 and 8). The property previous uses were listed as commercial.

A Phase I and II Environmental Site Assessment was prepared by Paterson Group Inc. in July and August 2018, which identified that the fill material at the subject site is impacted with metals and exceeds the Ontario Ministry of the Environment, Conservation and Parks (MECP) Table 1.

Groundwater on this site was tested and the samples exceeded the Ontario Ministry of the Environment, Conservation and Parks (MECP) Table 7 Standards.

The site qualifies to be eligible for a Brownfield priority area candidate due to its location and criteria under the BRCIP, as it is located on an Arterial Mainstreet.

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 for the Rehabilitation Grant program. The total grant from this program shall not exceed 50 per cent of the eligible cost (with the provision that eligible items 7

to 12 cannot exceed 15 per cent of the total eligible items being submitted for grant) specific to the program for rehabilitating said lands and buildings. These items can be seen in Document 4 of this report. If the development does not proceed, no grants are paid.

The Brownfield Rehabilitation Grant Program includes a rehabilitation grant, which is a tax-increment based grant funded through the tax increase that results from redevelopment of the property but is limited to 85 per cent of the increase in municipal tax and is payable annually for up to 10 years of development, or up to the time when the total grant payments equal the maximum amount of grant, whichever comes first. The City will only pay the annual grant after property taxes have been paid in full each year.

Brownfield Grant Application, 10773883 Canada Inc., FED Development Inc.

The required documents that are to be submitted to the City as part of a Brownfield Rehabilitation Grant Program application are described in Document 3. Staff reviewed the submissions and deemed the application to be complete as of Aug 6, 2019.

#### Proposed Remediation

The suggested remedial action plan consists of a full depth generic approach including the excavation and disposal of impacted soil at an approved waste disposal facility (approximately 1,600 metric tonnes). If impacted water is identified in the overburden, a licensed contractor will be commissioned to pump the water for off-site treatment and disposal.

#### Proposed Redevelopment

It is anticipated that the remediation work will take two to three months. 10773883 Canada Inc., FED Development Inc., is redeveloping the property at 1545 Bank Street to accommodate a development consisting of an eight-storey mixed-use building with a total of 140 residential apartment units and three commercial units at-grade. The residential units will consist of 53 studio units, 70 one-bedroom plus a den and 17 one-bedroom units. The building will have a total gross floor area of approximately 7,019 square metres, including approximately 6,705 square metres of floor area associated with the apartment use and 314 square metres of floor area allocated for commercial uses. Perspective tenants for the commercial units include retail and restaurant uses.

The building will have two-levels of below grade parking and will accommodate 70 vehicle parking spaces and 70 bicycle parking spaces for residents and visitors. The related site plan control application (D07-12-18-0159) has been approved under the delegated authority.

### Calculating the Brownfield Grant

Under the Brownfield Redevelopment Program guide, the applicant is required to submit various technical documents to determine eligibility as well as the costs eligible for the Rehabilitation Grant. Staff has reviewed the submissions and has determined that the total costs eligible for a grant under the program is \$322,690.

The BRCIP specifies that the total eligible costs be capped at 50 per cent of the total costs (with the provision that eligible items 7 to 12 cannot exceed 15 per cent of the total eligible items being submitted for grant). A breakdown of the eligible costs is shown in Document 4. Applying this cap results in the calculation of the grant to be \$161,345 (see Document 5).

The ability to receive the Brownfield grant occurs through the Rehabilitation Grant process which deals 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 two programs are as follows:

- 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 10 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 Brownfield 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 Rehabilitation 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 generated fund is expected to be \$36,940.<sup>20</sup>.

#### Development Charge Deferral Program

Under the Development Charge Deferral Program, the owner of the property is eligible for a 50 per cent deferment of eligible items costs towards development charges (items 1 to 7, see Document 4) by entering into a Deferral Agreement with a preferred annual interest charge of the issued index interest rate with the City of Ottawa. The term of the agreement would be subject to a maximum of either two years after issuance of a building permit or three years after the approval by the Council of the BRCIP application by the developer, whichever one occurs first, at which time the payment of the Development Charge deferred amount, plus interest, would be made by the developer. This amount eligible for deferral is \$143,290 (subject to all terms and conditions specified in the registered legal agreement between the City and the applicant have been met).

Under the Development Charges By-Law 2014-229, Collection Procedures, Section 13 (2), the ability to enter an agreement between the City of Ottawa and the Owner is established and the City Treasurer is assigned to collect the applicable development charges.

Under the Delegated Authority By-law 2016-369, the City Solicitor has delegated authority to enter into an agreement with the owner for a Deferral of Development Charges.

#### Economic Benefits to the Community

The overall economic impact of the proposed residential development is estimated at over \$39 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 site remediation, the construction period through payroll, purchased material supplies,

services, and equipment rentals.

Over \$28 million in new residential/commercial assessment would be added to the property tax assessment roll at full development. The developer's taxation consultant estimates that over \$268,000 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**

Councillor Cloutier is aware of the recommendations in this report.

### **LEGAL IMPLICATIONS**

There are no legal impediments to implementing the recommendations of this report. If approved, Legal Services (Innovative Client Services) will prepare an agreement setting out the terms and conditions of the grant in accordance with Council-approved policies.

### **RISK MANAGEMENT IMPLICATIONS**

There are no risk management implications associated with this report.

### **FINANCIAL IMPLICATIONS**

**ONLY FINANCE STAFF MAY COMPLETE THIS SECTION.** Report writers should provide the general finance information, details and rationale related to the topic in the Discussion section of the report. Finance will outline the financial impact to the City resulting from the report recommendations in the Financial Implications section. If there are no financial implications, Finance will provide a comment to that effect. All reports will be sent via the online RADAR tool to your Finance Account Manager to secure the necessary comment from the Finance Department. Reports cannot go forward without addressing this section and should be forwarded to Finance five (5) working days prior to the report deadline.

## **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 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 application is directly related to the 2019-2022 Term of Council Priorities:

- 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 Brownfield Rehabilitation Grant Application Requirements

Document 4 Brownfield Redevelopment Grant - Eligible Costs

Document 5 Calculating the Brownfield Redevelopment Grant

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

Document 7 Payment Option Scenario

Document 8 Site Plan

## **DISPOSITION**

Innovative Client Services, Legal Services, to prepare the Brownfield Rehabilitation Grant Agreement.

Planning, Infrastructure and Economic Development Department and Finance Department, Revenue Branch to develop a general administrative approach to implement the Brownfield Redevelopment Financial Incentive Program and more specifically for this application.

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

*Note: Minor corrections have been made to the Recommendations of this report to Council (corrected wording is underlined in Recommendations 1 and 2) by the Office of the City Clerk, per the City Clerk's Delegated Authority, as set out in Schedule C, Subsection 35 of Delegation of Authority By-Law 2016- 369, which provides as follows: "The City Clerk is authorized to correct clerical, spelling, or minor errors of an administrative nature in by-laws of the City by placing the appropriate amending by-law directly on the Agenda of Council for enactment, and in reports to standing committees of Council and Council by placing the corrected report on the appropriate agenda with a notation made in the disposition that the report has been amended pursuant to this provision."*

**Document 1 – Location Map**



		LOCATION MAP / PLAN DE LOCALISATION BROWNFIELDS REDEVELOPMENT PROGRAM / PROGRAMME DE RÉAMÉNAGEMENT DES FRICHES INDUSTRIELLES	
F18-04-19-BANK	20-0093-B	 1545 rue Bank St.	
I:\CO\2020\Brownfields\Bank_1545			
<small>©Parcel data is owned by Teranet Enterprises Inc. and its suppliers                  All rights reserved. May not be produced without permission                  THIS IS NOT A PLAN OF SURVEY</small>			
<small>©Les données de parcelles appartiennent à Teranet Enterprises Inc.                  et à ses fournisseurs. Tous droits réservés. Ne peut être reproduit                  sans autorisation. CECI N'EST PAS UN PLAN D'ARPENTAGE</small>			
REVISION / RÉVISION - 2020 / 01 / 28			

Document 2 – Aerial View

1545 Bank Street



### **Document 3 – Brownfield Rehabilitation Grant Application Requirements**

A Brownfield Rehabilitation Grant Program guide was prepared as part of the administration of the Brownfield 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.



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

The costs eligible for a Brownfield Redevelopment Grant for 1545 Bank Street are estimated as follows:

Table 1 - Eligible Cost and Estimated Cost

	Eligible Costs	Estimate Cost
1	Environmental studies, Remedial Work Plan and Risk Assessment not covered by Environmental Site Assessment Grant Program	\$25,000
2	Environmental Remediation including the cost of preparing a Record of Site Condition	\$261,580
3	Placing clean fill and grading	N/A
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	N/A
6	Environmental Insurance Premiums	N/A
7	Leadership Program	N/A
	<b>Sub-Total Costs eligible for 50% of DC deferral program</b>	<b>\$286,580</b>
8	Cost of Feasibility Study	N/A
9	30% of Building Permit	\$7,000
10	50% Building Demolition	\$29,110
11	50% Building rehab	N/A
12	50% of the upgrading costs for on-site infrastructure including water services, sanitary sewers and stormwater management facilities	N/A

	<b>Sub-total 7 to 12 - Actuals</b>	<b>\$36,110</b>
	<b>Items 7 to 12 maximum amount allowable based on 15% of total</b>	<b>\$50,573</b>
	<b>Total Costs Eligible for Rehabilitation Grant</b>	<b>\$322,690</b>

### Document 5 – Calculating the Brownfield Redevelopment Grant

The Ottawa Brownfield Community Improvement Plan (CIP) specifies that the total of all grants shall not exceed 50 per cent of the cost of rehabilitating said lands and buildings (with the provision that eligible items 7 to 12 cannot exceed 15 per cent of the total eligible items being submitted for grant). \*

**Table 2 – Total eligible costs**

1	Total eligible Costs- from Document 4	\$322,690
2	Total capping at 50 per cent of line 1	\$161,345
3	Total of Redevelopment Grant Payable	\$161,345

\* The land is located within a priority area. This location is therefore eligible for the Rehabilitation Grant equivalent to 85 per cent of the municipal property tax increase that results from the redevelopment, payable annually for up to ten years.

The total Brownfield grant payable is \$161,345 (line 3 above).

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

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

Recent (2018 tax year) Value Assessment on the property at 1545 Bank Street is \$1,367,000, classified as Commercial Tax (CT) tax class. Recent (2016 tax year) property taxes are approximately \$37,038 broken down as follows:

**Table 3 – Recent (2018 tax year) Property Taxes**

Municipal Property Tax portion	\$22,512
Education Property Tax portion	\$14,526
<b>Total Pre-Project Property Taxes</b>	<b>\$37,038</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 \$28 million (based on an effective valuation date of 2020). The estimated taxes (Municipal and Education) to be generated from full build-out is \$1.5 million (2020 tax year for complete development constructed), see Table 4.

**Table 4 – Estimated Annual Post-Project Municipal\Education Property Taxes (2020)**

Tax Class	Estimated assessment (2020)	Estimated Municipal Tax (2020)	Estimated Education Tax (2021)	Estimated Total Tax (2020)
Mixed Used (R4)	\$28,000,000	\$268,780	\$47,900	\$316,680

Document 7 – Payment Option Scenario

Table 1

Project Address: 1545 Bank Street, 10773883 Canada Inc., First Eastern Star Group (FES Group)  
Brownfield Calculation Template

Project #	Year	Calendar Year (from report)	Calendar Year (expected payout)	Existing Municipal Property Tax portion	Estimated Municipal Property Tax portion	Municipal Tax Increment	Rehab Grant (85% of property tax increase)	BML Revolving Fund	Max contribution	Additional Revenue to City	Cumulative Grant Amount
	1	2020	2023	\$ 22,512	\$ 268,780	\$246,268	\$ 161,345	\$36,940.20	\$161,345	\$84,923	\$161,345
	2	2021	2024	\$ 22,512	\$ 269,722	\$247,210	\$ -	\$ -	\$0	\$247,210	\$161,345
	3	2022	2025	\$ 22,512	\$ 275,992	\$253,480	\$ -	\$ -	\$0	\$253,480	\$161,345
	4	2023	2026	\$ 22,512	\$ 273,289	\$250,777	\$ -	\$ -	\$0	\$250,777	\$161,345
	5	2024	2027	\$ 22,512	\$ 279,642	\$257,130	\$ -	\$ -	\$0	\$257,130	\$161,345
	6	2025	2028	\$ 22,512	\$ 276,903	\$254,391	\$ -	\$ -	\$0	\$254,391	\$161,345
	7	2026	2029	\$ 22,512	\$ 278,728	\$256,216	\$ -	\$ -	\$0	\$256,216	\$161,345
	8	2027	2030	\$ 22,512	\$ 280,566	\$258,054	\$ -	\$ -	\$0	\$258,054	\$161,345
	9	2028	2031	\$ 22,512	\$ 284,276	\$261,764	\$ -	\$ -	\$0	\$261,764	\$161,345
	10	2029	2032	\$ 22,512	\$ 286,150	\$263,638	\$ -	\$ -	\$0	\$263,638	\$161,345
40	Total			\$225,120	\$2,774,048	\$2,548,928	\$161,345	\$36,940	\$161,345	\$2,387,583	

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.

Document 8 – Site Plan

