

**5. BROWNFIELD REDEVELOPMENT COMMUNITY IMPROVEMENT PLAN  
UPDATE AND AMENDMENTS**

**MISE À JOUR ET MODIFICATIONS DU PLAN D'AMÉLIORATION  
COMMUNAUTAIRE POUR LE RÉAMÉNAGEMENT DES FRICHES  
INDUSTRIELLES**

**COMMITTEE RECOMMENDATIONS AS AMENDED**

That Council approve:

1. That in respect of future applications where formal Brownfield pre-consultation has taken place on an application on or before September 29, 2015 or in stream applications deemed complete on or before October 13, 2015, such be considered on the basis of the Brownfields Policy in place on October 13, 2015; and
2. Brownfield Community Improvement Policy as detailed in Document 2.

**RECOMMANDATIONS DU COMITÉ, TEL QUE MODIFIÉES**

Que le Conseil approuve :

1. Que les demandes futures ayant fait l'objet de consultations préalables officielles sur les friches industrielles le 29 septembre 2015 ou avant ou encore les demandes en cours jugées complètes le 13 octobre 2015 ou avant soient étudiées en fonction de la Politique sur les friches industrielles en vigueur le 13 octobre 2015; et
2. La politique d'amélioration communautaire pour les friches industrielles, comme l'explique en détail le document 2.

**DOCUMENTATION / DOCUMENTATION**

1. John L. Moser, Acting Deputy City Manager, report dated 29 September 2015 / Directeur municipal adjoint par intérim, rapport daté du 29 septembre 2015 (ACS2015- PAI-PGM-0152)
2. Extract of Draft Minutes, Finance and Economic Development Committee, 6 October 2015. / Extrait de l'ébauche du procès-verbal du Comité des finances et du développement économique, le 6 octobre 2015.

**FINANCE AND ECONOMIC  
DEVELOPMENT COMMITTEE  
REPORT 8  
14 OCTOBER 2015**

**78**

**COMITÉ DES FINANCES ET DU  
DÉVELOPPEMENT ÉCONOMIQUE  
RAPPORT 8  
LE 14 OCTOBRE 2015**

**Report to  
Rapport au:**

**Finance and Economic Development Committee / Comité des finances et du  
développement économique  
October 6, 2015 / 6 octobre 2015**

**and Council / et au Conseil  
October 14, 2015 / 14 octobre 2015**

**Submitted on September 29, 2015  
Soumis le 29 septembre 2015**

**Submitted by  
Soumis par:  
John L. Moser,  
Acting Deputy City Manager / Directeur municipal adjoint par intérim,  
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**Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE      File Number: ACS2015-PAI-PGM-0152**

**SUBJECT: Brownfield Redevelopment Community Improvement Plan Update  
and Amendments**

**OBJET: Mise à jour et modifications du plan d'amélioration communautaire  
pour le réaménagement des friches industrielles**

## **REPORT RECOMMENDATIONS**

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

- 1. That in stream applications deemed complete or where formal Brownfield pre-consultation has taken place on an application on or before September 29, 2015 be considered on the basis of the Brownfield Policy in place at that time; and**
- 2. Brownfield Community Improvement Policy as detailed in Document 2.**

## **RECOMMANDATIONS DU RAPPORT**

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

- 1. Que les applications en service jugées complètes, ou celles pour lesquelles une séance de consultation préalable officielle sur les fiches industrielles a eu lieu au plus tard le 29 septembre 2015, soient examinées au regard de la politique sur les friches industrielles en vigueur à ce moment-là; et**
- 2. La politique d'amélioration communautaire pour les friches industrielles, comme l'explique en détail le document 2.**

## **BACKGROUND**

The Brownfield Redevelopment Community Improvement Plan (BRCIP) is part of a Brownfield Redevelopment Strategy and Community Improvement Plan used to promote the redevelopment of brownfield lands which represent an environmental, economic and social concern in the community.

The BRCIP was approved by Council in April of 2007 and last updated in May of 2010. The City has received a large number of requests by the industry since the last update. Indeed between 2007 and 2010, four applications were filed and approved whereas between May of 2010 and the present 30 applications have been filed and 21 of the 30 applications approved.

At the February 3, 2015, Finance and Economic Development Committee (FEDCO) meeting, directions were given to staff through a motion stating:

“Whereas the Brownfield Grant Program has not been comprehensively reviewed for more than a term of Council; and

Understanding that the law and the Environmental Standards have changed in the interim;

Would staff take as direction to review this program and provide an update to the Committee prior to the 2016 budget process.”

Based on the Committee’s direction, this report is to review/update the BRCIP, and summarize the uptake in the program in terms of levels of funding being provided to ensure that the program is used to achieve its intent and to identify any budget pressures resulting in the uptake to this program. The large number of applications from the industry since the last 2010 BRCIP update will allow a more representative analysis of the market trends and demands on the program to ensure the main objectives of the programs are being met.

## **DISCUSSION**

The goal of the BRCIP is to overcome the impediments to redevelopment in Ottawa due to site contamination. The incentive programs contained in this program represent a comprehensive framework containing a tool kit of programs that provide grants and tax assistance towards 50 per cent of the costs of rehabilitating development lands. Based on the growth management rationale identified in the City’s Official Plan, greater incentive program benefits are generally available for applications on brownfield sites in the Central Area, Mixed Use Centres, along Mainstreets and within 600 metres of existing or planned rapid transit stations. The distinction in levels for funding for each area is identified in Table 1.

Table 1 - Summary of 2010 BRCIP Incentive Programs

Program	Location of Property	
	In Central Area, Mixed Use Centres, along Mainstreets or within 600 metres of existing/ planned rapid transit stations	Not in Central Area, Mixed Use Centres, along Mainstreets or within 600 metres of existing /planned rapid transit stations.
<b>Project Feasibility Study Grant Program</b>	Grant equivalent to 50 per cent of the cost of an eligible project feasibility study. Maximum grant of \$5,000. Maximum one study per property.	Grant equivalent to 50 per cent of the cost of an eligible project feasibility study. Maximum grant of \$5,000. Maximum one study per property.
<b>Environmental Site Assessment Grant Program</b>	Grant equivalent to 50 per cent of the cost of an eligible environmental site assessment, remedial action plan or risk assessment. Maximum grant of \$15,000 per study. Maximum of two studies per property/project. Maximum total grant of \$25,000 per property/project.	Grant equivalent to 50 per cent of the cost of an eligible environmental site assessment, remedial action plan or risk assessment. Maximum grant of \$15,000 per study. Maximum of two studies per property/project. Maximum total grant of \$25,000 per property/project.
<b>Property Tax Assistance Program</b>	Cancellation of the municipal property tax increase for up to three years. Cancellation of the education property tax increase for up to three years **.	Cancellation of the municipal property tax increase for up to three years. Cancellation of the education property tax increase for up to three years.
<b>Rehabilitation Grant Program</b>	- Grant equivalent to 50 per cent of the municipal property tax increase for	- Grant equivalent to 50 per cent of the municipal property tax

	up to 10 years. - Demolition Cost - Rehabilitation Costs - 50 per cent On-site infrastructure costs	increase for up to five years. - Demolition Cost. - Rehabilitation Costs. - 50 per cent On-site infrastructure costs.
<b>Building Permit Fee Grant Program</b>	Grant equivalent to 30 per cent of building permit fee	Not available
<b>Development Charge Reduction Program</b>	Up to 50 per cent reduction of development charge	Up to 25 per cent reduction of development charge.

The program has been structured to meet the challenges the development industry is faced with through the consideration of financial assistance for six specific items relating directly to the remediation costs of the contamination of the site along with six additional incentive item costs for other site development costs to promote the program. The 12 eligible items are listed as follows:

1. Any costs of Phase II Environmental Site Assessments, Remedial Work Plans, and Risk Assessments not covered by Environmental Site Assessment Grant Program;
  2. Environmental Remediation including the cost of preparing a Record of Site Conditions;
  3. Placing clean fill and grading;
  4. Installing environmental and/or engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment;
  5. Monitoring, maintaining and operating environmental and engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment;
  6. Environmental Insurance Premiums;
- Total Costs Eligible for Property Tax Assistance (Sum of Costs 1-6 above)
7. The following Leadership in Energy and Environmental Design (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.
- 8. Cost of a Project Feasibility Study to a maximum of \$10,000;
  - 9. 30 per cent of the estimated Building Permit Fee to be paid;
  - 10. Building demolition;
  - 11. Building Rehabilitation and Retrofit Works;
  - 12. 50 per cent of the upgrading costs for on-site infrastructure including water services, sanitary sewers and stormwater management facilities.

Items 1 to 12 are eligible items for the Rehabilitation Grant Program. Items 1 to 6 are eligible items for the Property Tax Assistance Program, while items 1 to 7 are eligible items under the Development Charge Credit Program under the 2010 BRCIP. Any and all BRCIP Programs can be applied for by the developer, but the totals of all programs cannot exceed the total of items 1 to 12.

#### Background History of Program

##### Brownfield Redevelopment Community Improvement Plan 2007

The original report of the Ottawa Brownfield Redevelopment Strategy and the BRCIP and other actions to implement the Strategy was approved by Council on April 27, 2007.

From 2007 to 2010, there were four applications for this program. The level of funding approved was over \$7,800,000 of Rehabilitation Grant and \$2,600,000 of Development Charge Credits. The resulting development is estimated to generate an increase in land assessments of over \$260,000,000 with an increase to annual municipal taxes of over \$1,800,000 and education taxes of over \$660,000.

Grant payments are still being made by the City based on the BRCIP agreement obligations with the developers.

##### Brownfield Redevelopment Community Improvement Plan 2010

The BRCIP update was approved by Council on May 12, 2010 which made program adjustments to the 2007 BRCIP levels of funding to be made available. The changes included the removal of Off-site Infrastructure Costs items and only 50 per cent of "On-



Site” Infrastructure Costs would be covered under the program as opposed to the previous 100 per cent level of funding.

From 2010 to 2014, there were 21 BRCIP agreements entered into by the City with developers for this program. The level of funding approved was over \$9,550,000 of Rehabilitation Grant and over \$14,900,000 of Development Charge Credits. The resulting developments are estimated to provide an increase land assessment of over \$980,000,000 and an increase in annual municipal taxes of over \$10,400,000 and annual education taxes of over \$5,700,000. Of the 21 agreements in place, only six agreements are active at this time and there is a likelihood that some may never proceed.

As previously noted, the program considers the funding for 12 items, of which the first six items relate to the actual remediation of the site while the remaining six are incentive items to the industry to encourage Brownfield redevelopment. Over the past five years, there has been a dramatic increase in incentive eligible items costs being requested by applicants which places City resources directly into the actual development improvement rather than the actual cleanup of the site. In some cases, the total of all eligible item resulting funding levels adds up to more than the remedial clean up costs of the site. The program overall levels of funding requests by the industry since the 2010 BRCIP update is approximately \$32,500,000 and the incentive grants make up \$9,300,000 of the total. As the program becomes more utilized and various types of developments identify the level of remediation of the sites, it becomes more apparent that the incentive eligible items warrants adjustment to reflect the City’s intent to concentrate contributes towards the remediation costs verses the incentive costs.

#### **Development Charges Bylaw Update 2014**

When Council adopted the new Development Charges By-law in 2014, it decided that any approved exemptions to the by-law would be repaid to the appropriate Development Charges Reserve Fund. This decision has had an impact on the review of the BRCIP as the reduction of development charges by 50 per cent has been a key component of the program. It is recommended that for budgetary purposes, only applications which have requested Development Charge Credits at the time of development (at the time of building permit issuance) on or after June 1, 2014 be considered to be accounted for in the annual budgeting process to deal with the

Development Charge Credits to be returned to the Development Charge Fund.

There was only one approved application under the BRCIP which was approved after June 1, 2014, which received a Development Charge Credit of \$573,384. The remaining amount of Development Charge Credits, under the 2010 BRCIP application agreements in place, after the June 1, 2014 date, to be drawn on by the developer is \$5,715,115. Therefore a total amount of \$6,288,499 requires to be directed to the Development Charge Fund. These remaining applications may come in at any time in the future and consideration of budgeting for these payments, when the developer makes the request for funding, would be put forward to the following budget year for payment to the Development Charge Fund. This remaining Development Charge Credit is subject to the project moving forward by the developer and only actual costs incurred up to an upset limit in the agreement approved by Council.

Development Charge Credits are applied at the time of the building permit issuance and the remaining portion of the BRCIP grant is paid through a Rehabilitation Grant. The pattern in the last 21 applications reflects the majority of the approved grant is paid through the Development Charge Credit and the remaining grant through the rehabilitation grant within one to two years. The rehabilitation grant has a five to 10 year repayment period which has not been required by the majority of applications.

#### **Program Restructuring**

Take up by the development industry of the BRCIP has increased significantly over the last three years. At present there are nine deemed completed applications that are being processed and are ready for Committee and Council's consideration. Two applications have been filed by Trinity Developments for 151 Chapel Street and 2012 Ogilvie Road; Regional Group has filed for its development at 175 Main Street Controlex for its proposed development at 405 Terminal Avenue, four applications have been made by Claridge Homes Ltd. for 1040 and 1050 Somerset Street, 70 Gloucester Street and 89 and 91 Nepean Street and 175 Richmond Road and Colonnade Development Inc. has filed for its development on 300 – 320 Moodie Drive. These applications have been reviewed on the basis of the existing incentive programs. In addition, a further major development, Windmill's project at 3 and 4 Booth Street, has formally pre-consulted with the Department and proceeded through the rezoning stage. Discussions on the Brownfield Program took place on the basis of the existing policy.

As well, staff would interpret Recommendation 1 to include a development for Mizrahi Developments at 1445 West Wellington Street who presented detailed information on Brownfields at the Ontario Municipal Board Hearing. As such, it is recommended that these applications not be affected by the proposed revisions, but, in fairness, be moved forward on the basis of the existing Programs. This would apply to all applications deemed complete or have undertaken bonafide pre-consultation by September 29, 2015. Also it is recommended that grandparented applications be subject to a sunset provision such that if a Brownfield's Agreement is not entered into within four years of Council's approval of this report, the grandparenting right is lost. As well, as was previously noted, there are number of approved applications that have not moved forward even though Brownsfield's Agreements have been entered into. It is recommended that a sunset clause also be put in place for these applications, to the effect that if they have not proceeded with the development within six years of City Council's approval of this report, or if the existing Agreement provides for an earlier expiration date, the applications become null and void.

As noted in Table 1, there are existing BRCIP incentive programs. Of these six, it is recommended that no changes be made to the Project Feasibility Study Grant and Environmental Site Assessment Grant Programs. They have functioned well and relate directly to the brownfield nature of the property. The same is recommended for the Property Tax Assistance and Building Permit Fee Grant Programs.

It is recommended that the Development Charges Reduction Program be cancelled for any new applications received after City Council's approval of this report and replaced with a Development Charges Deferral Program that would allow a 50 per cent deferment of eligible item costs towards development charges (items 1 to 7) through a Deferral Agreement with a preferred annual interest charge of the issued index interest rate. 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 Council of the BRCIP application by the developer, whichever one occurs first at which time the payment of the Development Charge deferred amount would be made by the developer.

With the recommendation of a modified Development Charges Program from the BRCIP, the ability of the developer to recover their approved grant will only be through the Rehabilitation Grant repayment through the incremental increase in municipal taxes

as a result of the redevelopment over a fixed period of time (between five to 10 years depending on the location being within a Priority area). The removal of the Development Charge credit increases the pressure on the developer to recover these costs as compared to the original program implementation. In order to compensate for this change in program, it is recommended that the repayment percentage of the annual incremental increase in municipal taxes from 50 per cent to 85 per cent to the developer over the approved payment period or until the grant amount has been paid to the developer. This change in the program will remove the immediate budget pressure of the development charge credits being issued and assist the developer in recovering their approved grants in a timelier manner.

Based on market trends, it is apparent that the incentive programs have become a significant portion of the request for funding and reflects in the funding levels reaching the actual costs of the remediation works of the site. As a result, adjustments are being recommended to the Building Demolition item and Building Rehabilitation and Retrofit Works item costs in the Rehabilitation Grant Program. Based on certain past applications, these costs have been a large portion of the overall request for funding. It is recommended that they be reduced from 100 per cent eligibility to 50 per cent eligibility to reflect the mandate of the BRCIP Program to remediate site contamination.

To ensure the total incentive eligible item levels represent a reasonable portion of the grant being applied for by the industry for the actual remediation of the site, it is recommended that the total of the incentive eligible costs (items 7 -12) not exceed 15 per cent of the total eligible items being applied for.

Finally, it is recommended that a sunset clause be inserted in all future Brownfield Agreements to the effect that the Agreement will become null and void if the development is not issued a building permit within four years of Council's approval of the Brownfield application.

The 2010 BRCIP Municipal Leadership Strategy will remain unchanged in the 2015 BRCIP.

A comparison of the existing 2010 BRCIP Incentive programs and the proposed 2015 BRCIP Incentive programs are included in Document 1. For clarity purposes, a summary of the proposed 2015 BRCIP Incentive programs are included in Document 2.

## **RURAL IMPLICATIONS**

There have not been any applications to date from the rural area under the terms of the Program eligibility criteria.

## **CONSULTATION**

There was no public consultation in that this is an internal report to Council on the status of the present funding levels and its relevance to the City mandate towards Brownfield Development.

## **LEGAL IMPLICATIONS**

There are no legal impediments to the adoption of the recommendations in the report.

An analysis was done in the report that was adopted by Council on May 12, 2010 with respect to whether it would be appropriate to distinguish between applicants or land use with respect to the applicability of the program. The advice that was provided was that it would not be appropriate to do so.

### **Program compliance with existing Legislation and Environmental Standards**

The legislative requirements and environmental standards of the day were reviewed to ensure compliance and determine potential changes to the program due to any legislative updates. This included the review of the following legislation and environmental regulations:

- The *Municipal Act*;
- The *Planning Act*;
- Provincial Policy Statement;
- Ottawa Official Plan;
- Existing Community Improvement Plans;
- Ontario Regulation 153/04 (revised in June/2011).

There have been no legislative changes since the 2010 BRCIP update that impact the Brownfield Rehabilitation Community Improvement Plan implementation therefore it is within all regulatory requirements and is consistent with other municipality practices.

## **RISK MANAGEMENT IMPLICATIONS**

There are no risk management implications associated with this report.

## **FINANCIAL IMPLICATIONS**

The applications deemed complete or have undertaken bonafide pre-consultation by September 29, 2015 will continue to include Development Charge Reductions. As approved by Council through the 2014 Development Charges Policy and Framework (ACS2014-CMR-ARA-0004) report, the loss of DC funds collectable under an exemption must be reimbursed. A budgetary provision has been established to address the requirement of the Policy. The non-DC exemption grant components will be funded through incremental taxes resulting from the associated increased assessments.

Grants approved under the new Brownfield Community Improvement Policy will be funded through the incremental taxes resulting from the associated increased assessments, with 85% of the incremental tax increase funding the developer grant until the grant has been paid to the developer.

The proposed Development Charge Deferral Program will remove the requirement to fund the loss of DCs. The proposed DC Deferral Program allows for DC deferral subject to an agreement and an annual interest charge.

The BRCIP Municipal Leadership Strategy will continue to be funded from the incremental taxes, with 15% of the incremental tax increase funding the contribution to the Brownfield Municipal Fund, until the completion of the grant.

A total of 100% of the incremental taxes will fund the developer grant and the municipal fund contribution until the completion of the grant.

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 impacts associated with this report.

## **TERM OF COUNCIL PRIORITIES**

This exercise addresses the following Term of Council Priorities (2015-2018):

Economic Prosperity – EP1 which deals with Promoting Ottawa

– EP2 Support growth of local economy

Financial Sustainability – Demonstrate sound financial management

– Align strategic priorities to Council's financial targets

## **SUPPORTING DOCUMENTATION**

Document 1 Summary of Existing 2010 BRCIP Incentive Programs and the Proposed 2015 BRCIP Incentive Programs

Document 2 Summary of Proposed 2015 BRCIP Incentive Programs

## **DISPOSITION**

Planning and Growth Management Department to make the necessary text modifications to the BRCIP, Brownfield Redevelopment Strategy, all application forms, program guides and to the program description on Ottawa.ca.

Planning and Growth Management Department to advise the Ministry of Municipal Affairs and Housing of Council's decision regarding the reduction of and discontinuation of elements of the existing programs offered under the BRCIP.

Planning and Growth Management Department to continue to implement the Brownfield Redevelopment Strategy and BRCIP.

**Document 1 – Summary of Existing 2010 BRCIP Incentive Programs and the Proposed 2015 BRCIP Incentive Programs**

The following is the existing 2010 BRCIP breakdown along with the recommended 2015 BRCIP to reflect the review of the 2010 BRCIP program as directed by Finance and Economic Development Committee;

**1. Existing 2010 BRCIP and Proposed 2015 BRCIP Incentive Programs**

<b>Program Eligible Items</b>	<b>Program Item Features</b>	
BRCIP Year	2010	2015
<b>Project Feasibility Study Grant Program</b>	Grant equivalent to 50 per cent of the cost of an eligible project feasibility study.  Maximum grant of \$5,000.  Maximum one study per property.	No Change
<b>Environmental Site Assessment Grant Program</b>	Grant equivalent to 50 per cent of the cost of an eligible environmental site assessment, remedial action plan or risk assessment.  Maximum grant of \$15,000 per study.  Maximum of two studies per property/project.  Maximum total grant of \$25,000 per property/project.	No Change



<b>Property Tax Assistance Program **</b>	<p>Cancellation of the municipal property tax increase for up to three years.</p> <p>Cancellation of the education property tax increase for up to three years *.</p>	No Change
<b>Rehabilitation Grant Program **</b>	<ul style="list-style-type: none"> <li>- Grant equivalent to 50 per cent of the municipal property tax increase for up to 10 years</li> <li>- <b>100</b> per cent Demolition Cost*</li> <li>- <b>100</b> per cent Rehabilitation Costs*</li> <li>- 50 per cent On-site infrastructure costs</li> </ul>	<ul style="list-style-type: none"> <li>- Grant equivalent to <b>85</b> per cent of the municipal property tax increase for up to five years</li> <li>- <b>50</b> per cent Demolition Cost*</li> <li>- <b>50 per cent</b> Rehabilitation Costs *</li> <li>- 50 per cent On-site infrastructure costs</li> </ul>
<b>Building Permit Fee Grant Program **</b>	<p>Priority Area -Grant equivalent to <b>30</b> per cent of building permit fee *</p> <p>Non Priority Area – Not Available</p>	No Change
<b>Development Charge Reduction Program ***</b>	For Priority Areas, up to 50 per cent reduction of development charges payable for eligible items 1 - 7 costs and for Non Priority Areas, up to 25 per cent reduction of development Charges for eligible items 1 - 7 costs	For Priority Areas, up to 50 per cent deferment of eligible item costs and for Non Priority Areas, up to 25 per cent deferment of eligible item costs; towards development charges (items 1 to 7) through a Deferral Agreement with a preferred annual interest charge of the issued index interest rate. 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 would be made by the developer.
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**Notes:**

\*Total of items 7 – 12 under the Rehabilitation Grant Program and Building Permit Fee Grant Program may not exceed 15 per cent of the total eligible items under the BRCIP program.

\*\*Large Phased developments will have their approved grant payment periods of either five or 10 year apply for each phase. Each Phase payment period will commence at the issuance of the first building permit.

\*\*\*Development Charge Credit Program replaced with the Development Charge Deferral Program as outline above.

\*\*\*Priority areas are in the Central Area, Mixed Use Centres, along Mainstreets or within 600 metres of existing/ planned rapid transit stations

**Document 2 - Summary of Proposed 2015 BRCIP Incentive Programs**

The following is the recommended 2015 BRCIP to reflect the review of the 2010 BRCIP program as directed by Finance and Economic Development Committee;

**1 Proposed 2015 BRCIP Incentive Programs**

<b>Program</b>	<b>Location of Property</b>	
	<b>In Central Area, Mixed Use Centres, along Mainstreets or within 600 metres of existing/planned rapid transit stations</b>	<b>Not in Central Area, Mixed Use Centres, along Mainstreets or within 600 metres of existing/planned rapid transit stations.</b>
<b>Project Feasibility Study Grant Program</b>	<p>Grant equivalent to 50 per cent of the cost of an eligible project feasibility study.</p> <p>Maximum grant of \$5,000.</p> <p>Maximum one study per property.</p>	<p>Grant equivalent to 50 per cent of the cost of an eligible project feasibility study.</p> <p>Maximum grant of \$5,000.</p> <p>Maximum one study per property.</p>
<b>Environmental Site Assessment Grant Program</b>	<p>Grant equivalent to 50 per cent of the cost of an eligible environmental site assessment, remedial action plan or risk assessment.</p> <p>Maximum grant of \$15,000 per study.</p> <p>Maximum of two studies per property/project.</p> <p>Maximum total grant of \$25,000 per property/project.</p>	<p>Grant equivalent to 50 per cent of the cost of an eligible environmental site assessment, remedial action plan or risk assessment.</p> <p>Maximum grant of \$15,000 per study.</p> <p>Maximum of two studies per property/project.</p> <p>Maximum total grant of \$25,000 per property/project.</p>

<b>Property Tax Assistance Program **</b>	<p>Cancellation of the municipal property tax increase for up to three years.</p> <p>Cancellation of the education property tax increase for up to three years *.</p>	<p>Cancellation of the municipal property tax increase for up to three years.</p> <p>Cancellation of the education property tax increase for up to three years.</p>
<b>Rehabilitation Grant Program **</b>	<ul style="list-style-type: none"> <li>- Grant equivalent to 85 per cent of the municipal property tax increase for up to 10 years</li> <li>- <b>50</b> per cent Demolition Cost *</li> <li>- <b>50</b> per cent Rehabilitation Costs *</li> <li>- 50 per cent On-site infrastructure costs</li> </ul>	<ul style="list-style-type: none"> <li>- Grant equivalent to 85 per cent of the municipal property tax increase for up to five years</li> <li>- <b>50</b> per cent Demolition Cost *</li> <li>- <b>50 per cent</b> Rehabilitation Costs *</li> <li>- 50 per cent On-site infrastructure costs</li> </ul>
<b>Building Permit Fee Grant Program **</b>	Grant equivalent to <b>30</b> per cent of building permit fee *	Not available
<b>Development Charge Reduction Program ***</b>	50 per cent deferment of eligible item costs towards development charges (items 1 to 7) through a Deferral Agreement with a preferred annual interest charge of the issued index interest rate. The term of the Agreement would be subject to a maximum of either two years after issuance of a building permit or three	25 per cent deferment of eligible item costs towards development charges (items 1 to 7) through a Deferral Agreement with a preferred annual interest charge of the issued index interest rate. 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 Council of the BRCIP application, whichever one occurs first, at which time the payment of the Development Charge deferred amount would be made by the developer.	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 would be made by the developer.
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**Notes:**

\*Total of incentive items 7–12 under the Rehabilitation Grant Program and Building Permit Fee Grant Program may not exceed 15 per cent of the total eligible items under the BRCIP program.

\*\*Large Phased developments will have their approved grant payment periods of either five or 10 year apply for each phase. Each Phase payment period will commence at the issuance of the first building permit.

\*\*\*Development Charge Credit Program replaced with the Development Charge Deferral Program as outline above.

2. A Sunset Clause will be incorporated into all new Brownfield approvals to the effect that the approval will become null and void if the development is not issued a building permit within four years of Council's approval of the Brownfield application.
3. A Sunset Clause will be incorporated into all instream Brownfield approvals to the effect that the approval will become null and void if the development is not issued a building permit within four years of Council's approval of the Brownfield application.
4. In respect of existing Brownfield approvals, such approvals will be treated as null and void, six years after the approval of this report, if they have not entered into a Brownfield's Agreement or proceeded with the development. If an Agreement has been entered into and provides for an earlier expiration date then that date shall prevail.