

# Chatham-Kent

## Brownfield & Bluefield Community Improvement Plan



**Strategic Action | Redevelopment:  
Economic and Community Revitalization**

**As Adopted by Council April 18, 2005  
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**TABLE OF CONTENTS**

<b>1.0</b>	<b>INTRODUCTION.....</b>	<b>1</b>
1.1	Background & Context .....	1
1.2	Purpose of the Community Improvement Plan .....	2
1.3	Basis for the Community Improvement Plan .....	2
1.4	Legislative Authority.....	2
1.4.1	Enabling Official Plan Policies .....	4
1.5	Community Improvement Project Area.....	5
1.5.1	Relationship to other Community Improvement Activities.....	5
1.6	Glossary of Terms .....	6
<b>2.0</b>	<b>GOALS &amp; OBJECTIVES.....</b>	<b>8</b>
2.1	Goals.....	8
2.2	Objectives.....	8
<b>3.0</b>	<b>FINANCIAL INCENTIVES STRATEGY.....</b>	<b>9</b>
3.1	Introduction .....	9
3.2	Financial Terms.....	9
3.3	General Program Requirements.....	10
3.4	Environmental Study Grant Program .....	11
3.4.1	Purpose.....	11
3.4.2	Description.....	11
3.4.3	Requirements.....	12
3.4.4	Administration .....	12
3.5	Feasibility Study Grant Program .....	12
3.5.1	Purpose.....	12
3.5.2	Description.....	13
3.5.3	Requirements.....	13
3.5.4	Administration .....	14
3.6	Tax Assistance Program .....	14
3.6.1	Purpose.....	14
3.6.2	Description.....	14
3.6.3	Requirements.....	16
3.6.4	Administration .....	17
3.7	Rehabilitation Tax Increment Based Grant Program.....	17
3.7.1	Purpose.....	17
3.7.2	Description.....	17
3.7.3	Requirements.....	19
3.7.4	Administration .....	20
<b>4.0</b>	<b>MUNICIPAL LEADERSHIP STRATEGY.....</b>	<b>21</b>
4.1	Purpose.....	21
4.2	Program Description .....	21

**Chatham-Kent  
Brownfield & Bluefield Community Improvement Plan**

**5.0 IMPLEMENTATION & MONITORING.....23**

5.1 Administration .....23

5.2 Timeframes .....23

5.3 Monitoring Program .....23

5.4 Marketing Strategy .....24

5.5 Revisions to the Community Improvement Plan .....25

5.6 Financial Management .....25

**6.0 CONCLUSIONS.....26**

**APPENDIX “A” – PROGRAMS ADMINISTRATION..... A-1**

A.1 Environmental Study Grant Program .....A-1

A.2 Feasibility Study Grant Program .....A-2

A.3 Tax Assistance Program .....A-3

A.4 Rehabilitation Tax Increment Based Grant Program.....A-6

# Chatham-Kent Brownfield & Bluefield Community Improvement Plan

## 1.0 INTRODUCTION

*This Section does not constitute an operative part of the Community Improvement Plan.*

### 1.1 Background & Context

Chatham-Kent is joining the list of municipalities in Ontario that are pioneering the use of Community Improvement Plans as a means to promote brownfield redevelopment. This Community Improvement Plan (CIP) is a tool under the *Planning Act* to encourage revitalization, site remediation and enhancement. This CIP is supported by the Chatham-Kent Brownfield and Bluefield Strategy, which is an overall plan to guide future Municipal activities to promote brownfield and bluefield redevelopment.

A brownfield site is defined by the National Round Table on the Environment and the Economy as an abandoned, vacant, derelict or underutilized commercial or industrial property where past actions have resulted in actual or perceived contamination and where there is an active potential for redevelopment. Marshall Macklin Monaghan Limited and RCI Consulting define a bluefield site as an institutional or community facility that is no longer in use. This may include former schools, hospitals, long-term care facilities, courthouses or similar uses.

The Brownfield Strategy and CIP for Chatham-Kent are unique in three ways:

- The Municipality of Chatham-Kent was created from the amalgamation of a number of municipalities (both urban and rural). As such, the Strategy and CIP addresses the needs of several communities that exist within the broader community;
- Chatham-Kent has both urban and rural characteristics. The Strategy and CIP address brownfields that result from urban activity as do most municipal strategies. However, the CIP also addresses brownfields that are a legacy of agriculture and agri-business; and
- The CIP covers the entire Municipality, not just older industrial areas.

Brownfield sites are an environmental, economic and social concern for the community. From the environmental perspective, real or perceived contamination may be a concern for health and safety, as well as environmental quality. Chemical compounds in air and greenhouse gas emissions from some types of brownfield sites degrade urban areas. Underused brownfield sites in urban cores force development onto greenfield sites at the urban fringe, jeopardizing prime agricultural lands. Also, the redevelopment of underused brownfield sites in the rural area represent key opportunities to achieve the Municipality's strategic economic development objectives related to agriculture.

From an economic perspective, underused sites reduce the number of available jobs, economic activity and economic spin-offs. They reduce property values for the brownfield site, and create a drag on the values of surrounding sites. This in turn results in decreased property taxes revenues for the Municipality and province. Brownfields fail to take advantage of valuable existing infrastructure such as roads, sewers and schools, whereas "greenfield" development requires the construction of new infrastructure.

The redevelopment of brownfield sites has the potential to improve government revenues at all levels: through provincial sales taxes and GST on new business activity and construction materials,

**Strategic Action | Redevelopment:  
Economic and Community Revitalization**

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

income taxes from new businesses and their employees, and increased property tax revenues when the value of the site increases.

From a social perspective, brownfield redevelopment can improve the perception and image of an area and promote a feeling of community. There is an opportunity to improve the overall quality of life of the community, as economic and social opportunities improve, and it promotes a more cohesive form of development that contributes to the community's social, economic and land use planning objectives.

### **1.2 Purpose of the Community Improvement Plan**

The purpose of this Community Improvement Plan is to implement the Brownfield and Bluefield Strategy by providing a framework of specific financial incentive programs and a Municipal leadership strategy to encourage the remediation, rehabilitation and adaptive reuse of underused, vacant and potentially contaminated properties throughout the Municipality. Furthermore, the CIP programs encourage the rehabilitation and adaptive reuse of bluefield sites, including schools and other public facilities. Through the community improvement programs and strategies contained in this Plan, the Municipality will encourage and leverage public and private sector investment to address issues of environmental contamination, age, dilapidation, overcrowding, faulty arrangement, and unsuitability of buildings.

### **1.3 Basis for the Community Improvement Plan**

The basis for this Community Improvement Plan is as follows:

- a) This Plan is based on the Chatham-Kent Brownfield and Bluefield Strategy prepared in support of the CIP. The Strategy provides the rationale for the incentives and strategies, critical needs analysis, and discussion of the actions and targets for the Municipality's Brownfield and Bluefield program.
- b) This CIP, and the Brownfield and Bluefield Strategy, is the result of a community-based planning process that included public meetings, stakeholder interviews, and input from a task force.
- c) Municipal Council has been regularly briefed regarding the development of this CIP. Members of Council sit on the Brownfield and Bluefield Task Force, and have provided input throughout the development of this Plan.
- d) Municipal staff, in association with the Brownfield and Bluefield Task Force, have directed the development of this CIP, as well as the planning process leading to the preparation of this Plan. Municipal staff have also provided technical input throughout the process.

### **1.4 Legislative Authority**

Section 106(1) and (2) of the *Municipal Act, 2001* prohibits municipalities from directly or indirectly assisting any manufacturing business or other industrial or commercial enterprise through the granting of bonuses. Prohibited actions include:

## Chatham-Kent Brownfield & Bluefield Community Improvement Plan

- a) giving or lending money or municipal property;
- b) guaranteeing borrowing;
- c) leasing or selling any municipal property at below fair market value; and
- d) giving a total or partial exemption from any levy, charge or fee.

Section 106(3) of the *Municipal Act, 2001* provides an exception to this bonusing rule for municipalities exercising powers under the provisions of Section 28(6) or (7) of the *Planning Act* or Section 365.1 of the *Municipal Act, 2001*. Section 28 of the *Planning Act* allows municipalities with provisions in their official plans relating to community improvement to designate by by-law a “community improvement project area”. Once the community improvement plan is approved by the Province, the Municipality may exercise authority under Section 28(6) or (7) of the *Planning Act* in order that the exception provided for in Section 106(3) of the *Municipal Act, 2001* will apply.

According to Section 28(1) of the *Planning Act*, a “community improvement project area” is defined as “a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason”.

Section 28(1) of the *Planning Act* defines “community improvement” as “the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, reconstruction and rehabilitation, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable, or other uses, buildings, works improvements or facilities, or spaces therefore, as may be appropriate or necessary”.

Once a municipality has designated a “Community Improvement Project Area”, prepared and adopted a CIP for this project area, and the CIP is approved by the Minister of Municipal Affairs and Housing (MMAH), the municipality may:

- i) acquire, hold, clear, grade or otherwise prepare land for community improvement (Section 28(3) of the *Planning Act*);
- ii) construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan (Section 28(6));
- iii) sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan (Section 28(6)); and
- iv) make grants or loans to registered owners, assessed owners and tenants of land and buildings within the community improvement project area, to pay for the whole or any part of the cost of rehabilitating such lands and buildings (Section 28(7)).

Section 107(2) of the *Municipal Act, 2001* describes the powers of a municipality to make a grant or loan. In addition to the power to make a grant or loan, these powers also include the power to:

- i) sell or lease land for nominal consideration or to make a grant of land;

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

- ii) provide for the use by any person of land owned or occupied by the municipality upon such terms as may be fixed by council; and
- iii) sell, lease or otherwise dispose of at a nominal price, or make a grant of, any personal property of the municipality or to provide for the use of the personal property on such terms as may be fixed by council.

Section 365.1(2) and (3) of the *Municipal Act, 2001* allows municipalities to pass a by-law providing tax assistance to an eligible property in the form of a freeze or cancellation of part or all of the taxes levied on that property for municipal and education purposes during the rehabilitation period (maximum 18 months from the date that tax assistance begins), and the development period of the property, both as defined in Section 365.1 (1) of the *Municipal Act*. Section 365.1 of the *Municipal Act, 2001* operates within the framework of Section 28 of the *Planning Act*. A municipality with an approved community improvement plan in place that contains provisions specifying tax assistance will be permitted to provide said tax assistance for municipal and education purposes.

Section 28(7.1) of the *Planning Act* specifies that the total of all grants and loans made under Section 28(7) of the *Planning Act* and tax assistance provided under Section 365.1 of the *Municipal Act, 2001* in respect of the land and buildings shall not exceed the cost of rehabilitating the land and buildings. The financial incentive strategy and programs contained in Section 3 of this Plan contain safeguards to ensure that this legislative requirement is met.

### **1.4.1 Enabling Official Plan Policies**

The Municipality of Chatham-Kent Official Plan contains several policies that support and promote the redevelopment and rehabilitation of underutilized and potentially contaminated sites. Most particularly, Section 12.17 of the Camden Official Plan provides the enabling community improvement policies referenced in the *Planning Act*, which apply to the entire Municipality. An objective of the Official Plan is to maintain and promote an attractive, well maintained and safe living environment through community improvement. The Official Plan also states that community improvement will be accomplished through the:

- “a) ongoing maintenance, rehabilitation, redevelopment and upgrading of areas characterized by deficient/obsolete/deteriorated buildings, land use conflicts, deficient municipal hard services, social, community, recreational services, or economic instability;
- b) establishment of programs to encourage private sector redevelopment and rehabilitation that addresses identified economic development, land development, environmental, housing, and/or social development issues/needs;
- c) designation by by-law of Community Improvement Project Areas, the boundary of which may be the entire Municipality of Chatham-Kent, or any part of the Municipality of Chatham-Kent; and
- d) preparation, adoption and implementation of Community Improvement Plans, pursuant to the *Planning Act*.”

The community improvement policies of the OP specifically encourage the revitalization, conversion and redevelopment of underused and vacant lands. The Official Plan identifies a range of implementation techniques to achieve such community improvements, including:

### **Strategic Action | Redevelopment: Economic and Community Revitalization**

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

- “a) the municipal acquisition of land and/or buildings within Community Improvement Project Areas, and the subsequent:
  - i) clearance, grading, or environmental remediation of these properties;
  - ii) repair, rehabilitation, construction or improvement of these properties;
  - iii) sale, lease, or other disposition of these properties to any person or governmental authority;
  - iv) other preparation of land or buildings for community improvement.
- b) provision of public funds such as grants, loans and other financial instruments;
- c) application for financial assistance from senior level government programs;
- d) participation in any senior level government programs that provide assistance to private landowners for the purposes of community improvement;
- e) provision of information on municipal initiatives, financial assistance programs, and other government assistance programs;
- f) support of heritage conservation through the *Ontario Heritage Act* and the Heritage Advisory Committee;
- g) supporting the efforts of the Chambers of Commerce and Business Improvement Associations to revitalize the Downtowns and Main Streets in the Primary and Secondary Urban Centres through the implementation of various programs including the Downtowns and Main Streets Program; and
- h) encouraging off-street parking and providing municipal parking facilities where feasible and appropriate” (Section 17.17.2.6).

### **1.5 Community Improvement Project Area**

The Brownfield and Bluefield CIP applies to all lands within the Municipality. In accordance with Section 28(2) of the *Planning Act*, the entire Municipality has been designated as the Community Improvement Project Area for the purposes of this CIP by By-law 83-2005.

#### **1.5.1 Relationship to other Community Improvement Activities**

On July 7, 2004 the Chatham-Kent Downtown and Main Street Areas Community Improvement Plan (CIP) was approved by the Province. This CIP identifies the downtown and/or main street areas of Blenheim, Bothwell, Chatham, Dresden, Ridgetown, Thamesville, Tilbury, Wallaceburg and Wheatley as the community improvement project areas to which that CIP’s programs apply. The purpose of that CIP is to encourage private and public/private investment in downtown and main street area projects to ensure the social and economic vitality of these existing urban areas. The Downtown and Main Street Areas CIP focuses on four areas: beautification, commercial revitalization, downtown housing and redevelopment opportunities.

## Chatham-Kent Brownfield & Bluefield Community Improvement Plan

The Brownfield and Bluefield CIP covers all of the areas covered by the Downtown and Main Street Areas CIP, in addition to the balance of the Municipality. Therefore, for properties within the Downtown and Main Street Areas, there is some overlap between the incentive programs in the Downtown and Main Street Areas CIP and the Brownfield and Bluefield CIP. Specifically, there are identical feasibility study grants in both CIPs, and there are tax increment financing grants in both CIPs. In order to avoid “double-dipping” of these programs by applicants with eligible properties within the Downtown and Main Streets Areas, these applicants will only be allowed to take advantage of one of the feasibility study grant programs per property, and the tax increment based grant in the Brownfield and Bluefield Strategy will be designed to ensure its eligible costs are not also eligible costs under the tax increment based grant program in the Downtown and Main Street Areas CIP. A total of 10 financial incentive programs are offered to promote private sector investment within each of these four areas.

### 1.6 Glossary of Terms

The following defines terms used in this CIP.

- “Applicant”: unless otherwise specified, is a registered owner, assessed owner or tenant of lands and buildings within the community improvement project area, and any person to whom a registered owner, assessed owner or tenant of lands and buildings within the community improvement project area has assigned the right to receive a grant or loan.
- “Bluefield”: is a property which is comprised of an institutional or community facility that is no longer in use. This may include former schools, hospitals, long-term care facilities, courthouses or similar uses.
- “Brownfield”: an abandoned, vacant, derelict or underutilized commercial or industrial property where past actions have resulted in actual or perceived contamination and where there is an active potential for redevelopment.
- “Community Improvement”:
- unless otherwise specified, this term is as defined and used in accordance with its meaning under Section 28 of the *Planning Act*, and means the planning or replanning, design or redesign, resubdivision, clearance, development, redevelopment, reconstruction and rehabilitation, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary.
- “Community Improvement Plan”:
- unless otherwise specified, this term is as defined and used in accordance with its meaning under Section 28 of the *Planning Act* and means a plan approved by the Minister of Municipal Affairs and Housing for the community improvement of a community improvement project area.

**Chatham-Kent  
Brownfield & Bluefield Community Improvement Plan**

- “Community Improvement Project Area”: unless otherwise specified, this term is as defined and used in accordance with its meaning under Section 28 of the *Planning Act* and means a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reasons.
  
- “Eligible property”: unless otherwise specified, is a property that is included in the community improvement project area as defined by By-law 83-2005.
  
- “Municipality”: is defined as the “The Municipality of Chatham-Kent”.
  
- “Property” includes land and buildings.
  
- “Qualified person”: as defined by Section 168.1 of the *Environmental Protection Act* and Ontario Regulation 153/04.
  
- “Rehabilitation”: unless otherwise specified, this term is as defined and used in accordance with its meaning under Section 28 of the *Planning Act*.

# Chatham-Kent Brownfield & Bluefield Community Improvement Plan

## 2.0 GOALS & OBJECTIVES

### 2.1 Goals

The Goals of the Community Improvement Plan are consistent with Provincial policy and are built upon the goals, objectives and policies of the Official Plan. The Goals of this CIP are as follows:

- a) *Stimulate and leverage private and public sector investment to promote the remediation, rehabilitation, adaptive reuse and improvement of underutilized, vacant and potentially contaminated sites throughout the Municipality;*
- b) *Increase tax assessment and revenues for the Municipality and the Province of Ontario;*
- c) *Reduce outward urban expansion onto prime agricultural lands by encouraging the redevelopment of underused and vacant sites;*
- d) *Improve the physical and visual quality of the Municipality;*
- e) *Improve environmental health and public safety within the Municipality;*
- f) *Retain and increase employment, shopping and living opportunities within the Municipality;*

### 2.2 Objectives

The Objectives of the Community Improvement Plan are based on the Goals sets forth in Section 2.1, and are as follows:

- a) *Encourage the remediation, rehabilitation, adaptive reuse and improvement of lands and buildings (including former institutional lands and buildings) that are underutilized, vacant and potentially contaminated through incentive programs and Municipal leadership;*
- b) *Use Municipal resources to demonstrate leadership in the remediation, rehabilitation, adaptive reuse and improvement of underutilized, vacant and potentially contaminated publicly-owned sites;*
- c) *Provide grants for environmental site assessments to stimulate private sector investigation and remediation of vacant, underutilized and potentially contaminated sites;*
- d) *Encourage the remediation, rehabilitation, adaptive reuse and improvement of vacant, underutilized, and potentially contaminated sites by providing tax increment financing grants, tax freezes or tax cancellations;*
- e) *Monitor the performance of the Community Improvement Plan on an on-going basis to ensure that the goals of the Plan are being met;*

Performance of the CIP in relation to the foregoing Goals and Objectives will be monitored by the Brownfield/Bluefield Technical Advisory Committee responsible for the oversight of the CIP using the monitoring program outlined in Section 5.3 of this Plan.

# Chatham-Kent Brownfield & Bluefield Community Improvement Plan

## 3.0 FINANCIAL INCENTIVES STRATEGY

### 3.1 Introduction

This Brownfield and Bluefield CIP represents a comprehensive framework containing a tool kit of programs, that taken together, are designed to achieve the goals and objectives outlined in Section 2 of the Plan. This Plan contains the following financial incentive programs:

- a) Environmental Study Grant Program;
- b) Feasibility Study Grant Program;
- c) Tax Assistance Program; and
- d) Rehabilitation Tax Increment Based Grant Program.

All of these financial incentive programs are directed at the private sector and are designed to encourage private sector remediation and rehabilitation, adaptive reuse and construction activity and achieve the goals and objectives of the CIP. These incentive programs can be used individually or together by an applicant.

For each of the financial incentive programs listed above, this section describes the purpose, type, duration, eligibility criteria and application requirements. Administrative procedures for each of the programs are contained in Appendix A.

The financial incentive programs will be augmented and complemented by a proactive program of Municipal activities known as the Municipal Leadership Strategy, outlined in Section 4. The financial incentive programs will also be marketed to property owners, developers, real estate and other support professionals as outlined in the Marketing Strategy in Section 5.

### 3.2 Financial Terms

The key terms used in Section 3 are defined below.

- “Applicant”: unless otherwise specified, is a registered owner, assessed owner or tenant of lands and buildings within the community improvement project area, and any person to whom a registered owner, assessed owner or tenant of lands and buildings within the community improvement project area has assigned the right to receive a grant or loan.
- “Eligible property”: unless otherwise specified, is a property that is included in the community improvement project area as defined by By-law 83-2005.
- “Property” includes land and buildings.
- “Qualified person”: as defined by Section 168.1 of the *Environmental Protection Act* and Ontario Regulation 153/04.

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

“Rehabilitation”: unless otherwise specified, this term is as defined and used in accordance with its meaning under Section 28 of the *Planning Act*.

### **3.3 General Program Requirements**

All of the financial incentive programs contained in this Plan are subject to the following general requirements as well as the individual requirements specified under each program. The general and program specific requirements contained in this CIP are not necessarily exhaustive and the Municipality reserves the right to include other requirements and conditions as deemed necessary on a property specific basis:

- a) The Municipality reserves the right to audit the cost of environmental studies, feasibility studies, environmental remediation works, and/or rehabilitation works that have been approved under any of the financial incentive programs contained in this Plan, at the expense of the applicant;
- b) The Municipality is not responsible for any costs incurred by an applicant in relation to any of the programs in this CIP, including without limitation, costs incurred in anticipation of a grant and/or tax assistance;
- c) If the applicant is in default of any of the general or program specific requirements, or any other requirements of the Municipality, the Municipality may delay, reduce or cancel the approved grant and/or tax assistance;
- d) The Municipality may discontinue any of the programs contained in this CIP at any time, but applicants with approved grants and/or tax assistance will still receive said grant and/or tax assistance, subject to meeting general and program specific requirements;
- e) All proposed works approved under the incentive programs and associated improvements to buildings and/or land shall conform to all municipal by-laws, policies, procedures, standards and guidelines, including applicable Official Plan and zoning requirements and approvals;
- f) The improvements made to buildings and/or land shall be made pursuant to a Building Permit, and/or other required permits, and constructed in accordance with the Ontario Building Code;
- g) Outstanding work orders, and/or orders or requests to comply, and/or other charges from the Municipality must be satisfactorily addressed prior to grant and/or tax assistance payment;
- h) Municipal staff, officials, and/or agents of the Municipality may inspect any property that is the subject of an application for any of the financial incentive programs offered by the Municipality.
- i) The total of all grants and loans provided may not exceed the cost of rehabilitating the lands/buildings.

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

- j) The subject property shall not be in a position of tax arrears.

### **3.4 Environmental Study Grant Program**

#### **3.4.1 Purpose**

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

#### **3.4.2 Description**

As Phase I ESA's have become a standard requirement of most financial institutions and do not provide detailed information with respect to the type of contamination and cost of remediation, Phase I ESA's are not eligible for funding under this program. To be eligible to apply for the Environmental Study Grant Program, a Phase I ESA must have been completed on the property and must show that the property is suspected of environmental contamination.

The Environmental Study Grant Program will provide a matching grant of 50% of the cost of an eligible environmental study to a maximum of:

- a) \$15,000 per study;
- b) two studies per property/project;
- c) \$20,000 per property/project.

Eligible environmental studies include a Phase II ESA, Phase III ESA, and a Risk Assessment Plan.

Environmental Study Grants will only be offered on eligible properties where there is potential for rehabilitation and/or redevelopment of the property.

Review and evaluation of an application and supporting materials against program eligibility requirements will be done by Municipal staff and a decision on the grant application will be made by Municipal staff. Applications will be processed and approved on a first come, first serve basis, subject to a higher priority being placed on applications for sites where planning approvals are not required or sites where planning applications have been submitted.

Grants approved under this program would be provided to applicants following submission to the Municipality for review of the final completed study with the original invoice, indicating that the study consultants have been paid in full. The grant will be paid on the lesser of a cost estimate provided by the qualified person (consultant) conducting the study or the actual cost of the study. The grant may be reduced or cancelled if the study is not completed, not completed as approved, or if the consultant(s) that conducted the study are not paid. The applicant will agree to provide the Municipality with permission to notify any other subsequent project proponents of the existence of an environmental study or studies.

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

### **3.4.3 Requirements**

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program requirements, and subject to the availability of funding as approved by Municipal Council:

- a) An application must be submitted to the Municipality prior to the start of any environmental study to which the grant will apply;
- b) Environmental studies shall be for the purpose of:
  - i) confirming and describing contamination at the site (partial or complete Phase II ESA);
  - ii) developing a plan to remove, treat, or otherwise manage contamination found on the site (Phase III ESA/Remedial Work Plan/Risk Assessment Plan);
- d) Applicants must complete and submit to the Municipality for review a Phase I ESA that demonstrates that site contamination is likely;
- e) Applications will include:
  - i) a detailed study work plan;
  - iii) a cost estimate for the study; and
  - iv) a description of the planned redevelopment, including any planning applications that have been submitted/approved;
- f) All environmental studies shall be completed by a “qualified person” as defined by Ontario Regulation 153/04;
- g) All completed environmental studies must comply with the description of the studies as provided in the grant application form;
- h) One (1) electronic and one (1) hard copy of the study findings shall be submitted to the Municipality for review.

### **3.4.4 Administration**

Guidelines for the administration of this program are attached in Appendix A. Appendix A does not form part of this Plan. The Guidelines for administration of this program may be changed from time to time, as required, without amendment to this Plan.

## **3.5 Feasibility Study Grant Program**

### **3.5.1 Purpose**

The purpose of the Feasibility Study Grant Program is to promote the undertaking of feasibility studies so that potential investors can obtain more and better information with respect to the costs of reusing, rehabilitating and retrofitting brownfield and bluefield buildings and lands.

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

### **3.5.2 Description**

The Feasibility Study Grant Program will provide a matching grant of 50% of the cost of an eligible feasibility study to a maximum of \$5,000 with a maximum of one study per property. Eligible feasibility studies include but are not limited to:

- a) structural analyses;
- b) evaluation of mechanical and electrical systems;
- c) concept plans;
- d) market analyses; and
- e) any other feasibility study as approved by the Municipality.

As there is currently a Project Feasibility Studies Grant Program in place in the Downtown and Main Street Areas CIP, no property in Chatham-Kent, regardless of location, will be eligible for more than one Feasibility Study Grant.

Review and evaluation of an application and supporting materials against program eligibility requirements will be done by Municipal staff and a decision on the grant application will be made by Municipal staff. Applications will be processed and approved on a first come, first serve basis, subject to a higher priority being placed on applications for sites where planning approvals are not required or sites where planning applications have been submitted.

Grants approved under this program would be provided to applicants following submission to the Municipality for review of the final completed study with the original invoice, indicating that the study consultants have been paid in full. The grant will be paid on the lesser of a cost estimate provided by the consultant conducting the study or the actual cost of the study. The grant may be reduced or cancelled if the study is not completed, not completed as approved, or if the consultant(s) that conducted the study are not paid. The applicant will agree to provide the Municipality with permission to provide the study to subsequent owners and interested parties, should the applicant decide not to proceed with reuse, rehabilitation or retrofitting of the site.

### **3.5.3 Requirements**

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements and conditions, the following program requirements, and subject to the availability of funding as approved by Council:

- a) An application must be submitted to the Municipality prior to the start of any feasibility study to which the grant will apply;
- b) Feasibility studies shall be for the purpose of:
  - i) structural analyses;
  - ii) evaluation of mechanical and electrical systems;
  - iii) concept plans;
  - iv) market analyses; and

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

- v) any other feasibility study as approved by the Municipality;
- c) Applications will include:
  - i) a detailed study work plan;
  - iii) a cost estimate for the study; and
  - iv) a description of the planned redevelopment, including any planning applications that have been submitted/approved;
- d) All completed feasibility studies must comply with the description of the studies as provided in the grant application form;
- e) One (1) electronic and one (1) hard copy of the study findings shall be submitted to the Municipality for the Municipality’s review and retention.

### **3.5.4 Administration**

Guidelines for the administration of this program are attached in Appendix A. Appendix A does not form part of this Plan. The Guidelines for administration of this program may be changed from time to time, as required, without amendment to this Plan.

## **3.6 Tax Assistance Program**

### **3.6.1 Purpose**

The purpose of the Tax Assistance Program is to encourage the remediation and rehabilitation of brownfield sites by providing tax assistance at the beginning of the cleanup process. This program applies only to properties requiring environmental remediation and/or risk assessment/management.

### **3.6.2 Description**

The Tax Assistance Program will provide a freeze or cancellation of part or all of the Municipal and education taxes on a brownfield property during the “rehabilitation period” and “development period”, as defined in Section 365.1 of the *Municipal Act*. The legislative authority for the Tax Assistance Program is established under Sections 365.1(2) and (3) of the *Municipal Act* which allows municipalities to pass a by-law providing tax assistance to an eligible property in the form of a freeze or cancellation of part or all of the taxes levied on that property for municipal and education purposes during the rehabilitation period (maximum 18 months from the date that tax assistance begins) and the development period of the property (as specified in the by-law).

An “eligible property” for the Tax Assistance Program is a property within the community improvement project area (as defined by By-law 83-2005, where a Phase II Environmental Site Assessment (ESA) has been conducted, and that as of the date the Phase II ESA was completed, did not meet the required standards under subparagraph 4i of Section 168.4(1) of the *Environmental Protection Act* to permit a Record of Site Condition (RSC) to be filed in the Environmental Site Registry.

“Eligible costs” for the Tax Assistance Program are the costs of any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

(RSC) to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*. This includes the costs of:

- i) phase II ESAs, Phase III ESAs, and Risk Assessment Plans not covered by the Environmental Study Grant Program;
- ii) environmental remediation, including the costs of preparing a RSC;
- iii) placing clean fill and grading;
- iv) installing environmental and/or engineering controls/works as specified in the Phase III ESA and/or Risk Assessment Plan;
- v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Phase III ESA and/or Risk Assessment Plan;
- vi) environmental insurance premiums.

In no case will the total amount of tax assistance provided under the Tax Assistance Program exceed the total of these eligible costs. Also, in no case, will the total of the tax assistance provided under the Tax Assistance Program, and the grants provided under the other programs in this CIP in respect of the land and buildings, exceed the total cost of rehabilitating the land and buildings.

The education portion of the property taxes to be frozen or cancelled is a matching contribution to the municipal taxes to be frozen or cancelled. The education portion is subject to approval by the Minister of Finance. The Minister of Finance is prepared to authorize municipal applications for matching education property tax assistance for a maximum of three (3) years from the start date of the remediation. Applications seeking matching education property tax assistance for a longer period will not be approved by the Minister of Finance unless there are exceptional circumstances warranting an extended period of matching tax assistance. The Municipality may continue to offer Municipal tax assistance beyond the three years up to the length of time indicated in the by-law. Subject to the restriction on total eligible costs as noted above, the level and duration of the Municipal portion of the property tax freeze or cancellation will be determined by the Municipality on a property-by-property basis as specified in the applicable by-law.

Applications will be processed and approved on a first come, first serve basis, subject to a higher priority being placed on sites where planning applications have already been approved or submitted. Review and evaluation of an application and supporting materials against program eligibility requirements will be done by Municipal staff who will then make a recommendation to Council. The application is subject to approval by Council or Council's designate. As a condition of approval of an application for Tax Assistance, the property owner must enter into an agreement with the Municipality. This Agreement will specify the terms, duration and default provisions of the tax assistance. This Agreement is also subject to approval by Council or Council's designate.

The property will be subject to passing of a Municipal by-law that authorizes the provision of the tax assistance. The by-law will contain conditions required by the Municipality as well as conditions required by the Minister of Finance. In order for the by-law to apply to education property taxes, before it is passed by the Municipality, the by-law must be approved in writing by the Minister of Finance. Written approvals of matching education property tax assistance from the

## Chatham-Kent Brownfield & Bluefield Community Improvement Plan

Minister of Finance may contain conditions for the provision of matching education property tax assistance that are different than those generally described below under Requirements. Education tax assistance may be delivered on a different timetable from tax assistance offered by the Municipality for a given property.

### 3.6.3 Requirements

Only owners of property within the community improvement project area are eligible to apply for funding under this program, subject to meeting the general program requirements and conditions, the following program requirements, and subject to availability of funding as approved by Council:

- a) An application must be submitted to the Municipality prior to the start of any remediation works to which the tax assistance will apply;
- b) The application must be accompanied by a Phase II ESA prepared by a qualified person that shows that the property does not meet the standards under subparagraph 4i of Section 168.4(1) of the *Environmental Protection Act* to permit a Record of Site Condition (RSC) to be filed in the Environmental Site Registry;
- c) The application must be accompanied by a Phase II ESA, Phase III ESA or Risk Assessment Plan prepared by a qualified person that contains:
  - i) an estimate of the cost of actions that will be required to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*; and
  - ii) a work plan and budget for said environmental remediation and/or risk management actions;
- d) As a condition of the application, the Municipality may require the applicant to submit a Business Plan for redevelopment of the property (as applicable), with said Plan to the Municipality's satisfaction;
- e) The property shall be rehabilitated such that the work undertaken is sufficient to at a minimum result in an increase in the assessed value of the property;
- f) The total value of the tax assistance provided under this program shall not exceed total eligible costs. This includes the eligible costs of:
  - i) phase II ESAs, Phase III ESAs, and Risk Assessment Plans not covered by the Environmental Study Grant Program;
  - ii) environmental remediation, including the costs of preparing a RSC;
  - iii) placing clean fill and grading;
  - iv) installing environmental and/or engineering controls/works as specified in the Phase III ESA and/or Risk Assessment Plan;
  - v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Phase III ESA and/or Risk Assessment Plan;
  - vi) environmental insurance premiums;

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

- g) The total of the tax assistance provided under this program, and the grants provided under the other programs in this CIP in respect of the land and buildings shall not exceed the total cost of rehabilitating the land and buildings;
- h) All property owners participating in this program will be required to enter into an agreement with the Municipality which will specify the terms, duration and default provisions of the tax assistance;
- i) All Tax Assistance Program applications and agreements must be approved by Council or Council's designate;
- j) Should the owner of the property default on any of the conditions in the by-law, the tax assistance provided (plus interest) will become payable to the Municipality;
- k) The owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the Municipality proof that the RSC has been acknowledged by the Ministry of Environment (MOE).

### **3.6.4 Administration**

Guidelines for the administration of this program are attached in Appendix A. Appendix A does not form part of this Plan. The Guidelines for administration of this program may be changed from time to time, as required, without amendment to this Plan.

## **3.7 Rehabilitation Tax Increment Based Grant Program**

### **3.7.1 Purpose**

The purpose of the Rehabilitation Tax Increment Based Grant Program is to encourage the remediation, rehabilitation and adaptive re-use of brownfield and bluefield sites by providing tax abatement to help pay for additional rehabilitation costs normally associated with brownfield and bluefield sites.

### **3.7.2 Description**

The Rehabilitation Tax Increment Based Grant Program will provide a financial incentive in the form of an annual grant for up to ten (10) years to help offset the cost of rehabilitating eligible brownfield and bluefield properties only where that rehabilitation results in an increase in assessment value and property taxes increase on these properties. The annual grant available under the Rehabilitation Tax Increment Based Grant Program will begin when the benefits of the Tax Assistance Program end, provided that final building inspection has taken place, reassessment of the property has taken place, and the property owner has paid the property taxes in full for the year in which the grant is to be provided.

The annual grant will be offered as a tax increment grant on a "pay-as-you go" basis. The developer will initially pay for the entire costs of rehabilitation. When the Municipality receives the incremental property taxes that result from the rehabilitation project, the Municipality will reimburse the applicant in the form of an annual grant equivalent to 80% of the increase in Municipal taxes that result from the project. Each year, the property owner must first pay taxes owing, and then the approved applicant will receive the grant. The annual grant is payable for up to

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

ten (10) years, or up to the time when total grant payments equal total eligible costs, whichever comes first. In no case will the total amount of the grants provided under the Rehabilitation Tax Increment Based Grant Program and the tax assistance and grants provided under other programs in this CIP exceed the total cost of rehabilitating the land and buildings.

“Eligible costs” for the Rehabilitation Tax Increment Based Grant Program include the costs of:

- i) Phase II ESAs, Phase III ESAs, and Risk Assessment Plans not covered by the Environmental Study Grant Program or the Tax Assistance Program;
- ii) environmental remediation, including the costs of preparing a RSC, not covered by the Tax Assistance Program;
- iii) placing clean fill and grading not covered by the Tax Assistance Program;
- iv) installing environmental and/or engineering controls/works, as specified in the Phase III ESA and/or Risk Assessment Plan, not covered by the Tax Assistance Program;
- v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Phase III ESA and/or Risk Assessment Plan, not covered by the Tax Assistance Program;
- vi) environmental insurance premiums not covered by the Tax Assistance Program;
- vii) demolishing buildings;
- viii) building rehabilitation and retrofit works;
- ix) upgrading on-site infrastructure, including water services, sanitary sewers and stormwater management facilities;
- x) constructing/upgrading off-site infrastructure, including water services, sanitary sewers, stormwater management facilities, electrical and gas utilities).

For properties located within the Downtown and Main Street Community Improvement Project Areas that require environmental remediation and are eligible for a Property Tax Increment Equivalent Grant under the Downtown and Main Streets CIP, the annual grant under the Rehabilitation Grant Program will be equivalent to 100% of the increase in Municipal taxes that result from the project during the first five years, and 80% of the increase in Municipal taxes during the last five years. This annual grant will be payable for up to ten (10) years, or up to the time when total grant payments equal the total of all eligible costs, whichever comes first. In order to avoid double dipping between the Property Tax Increment Equivalent Grant under the Downtown and Main Streets CIP and the Rehabilitation Tax Increment Grant under this CIP, application can be made for only one of these grant programs per property or site.

For former industrial properties or bluefield sites located outside the Downtown and Main Street Community Improvement Project Areas that do not require environmental remediation, eligible costs are restricted to cost items vii) – x) above, and the annual grant will be equivalent to 80% of the increase in Municipal taxes, payable for up to five (5) years, or up to the time when total grant payments equal the total of all eligible costs, whichever comes first.

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

Applications will be processed and approved on a first come, first serve basis. Review and evaluation of an application and supporting materials against program eligibility requirements will be done by Municipal staff who will then make a recommendation to Council. The application is subject to approval by Council or Council's designate. As a condition of approval of an application for a Rehabilitation Grant, the applicant must enter into an agreement with the Municipality. This Agreement will specify the terms, duration and default provisions of the grant. This Agreement is also subject to approval by Council or Council's designate.

The amount of Municipal taxes ("base rate") will be determined before commencement of the project. The increase in the Municipal portion of real property taxes (or "municipal tax increment") will be calculated as the difference between the base rate and the amount of Municipal taxes levied as a result of re-valuation by the Municipal Property Assessment Corporation (MPAC) following project completion. The municipal tax increment will be used to fund the grant.

### **3.7.3 Requirements**

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program requirements, and subject to the availability of funding as approved by Municipality Council:

- a) An application must be submitted to the Municipality prior to the start of any rehabilitation works to which the grant will apply;
- b) Such application shall include reports, plans, estimates, contracts and other details as may be required to satisfy the Municipality with respect to the eligible costs and conformity of the project with the CIP;
- c) The application must be accompanied by a Phase II ESA, Phase III ESA or Risk Assessment Plan prepared by a qualified person that contains:
  - i) an estimate of the cost of actions that will be required to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act; and
  - ii) a work plan and budget for said environmental remediation, and/or risk management actions, OR

The application must be accompanied by proof that an RSC for the proposed use of the property has been acknowledged by the MOE;

- d) As a condition of the grant application, the Municipality may require the applicant to submit a Business Plan, with said Plan to the Municipality's satisfaction;
- e) The property shall be rehabilitated such that the amount of work undertaken is sufficient to at a minimum result in an increase in the assessed value of the property;
- f) The total value of the grant provided under this program shall not exceed total eligible costs. This includes the costs of:

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

- i) Phase II ESAs, Phase III ESAs, and Risk Assessment Plans not covered by the Environmental Study Grant Program or the Tax Assistance Program;
  - ii) environmental remediation, including the costs of preparing a RSC, not covered by the Tax Assistance Program;
  - iii) placing clean fill and grading not covered by the Tax Assistance Program;
  - iv) installing environmental and/or engineering controls/works, as specified in the Phase III ESA and/or Risk Assessment Plan, not covered by the Tax Assistance Program;
  - v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Phase III ESA and/or Risk Assessment Plan, not covered by the Tax Assistance Program;
  - vi) environmental insurance premiums not covered by the Tax Assistance Program;
  - vii) demolishing buildings;
  - viii) building rehabilitation and retrofit works;
  - ix) upgrading on-site infrastructure, including water services, sanitary sewers and stormwater management facilities;
  - x) constructing/upgrading off-site infrastructure, including water services, sanitary sewers, stormwater management facilities, electrical and gas utilities).
- g) The total of the grants provided under this program, and the grants and tax assistance provided under the other programs in this CIP in respect of the land and buildings shall not exceed the total cost of rehabilitating the land and buildings;
- h) All applicants participating in this program will be required to enter into an agreement with the Municipality which will specify the terms of the grant;
- i) All Rehabilitation Grant Program applications and agreements must be approved by Municipality Council or Municipality Council's designate;
- j) If a building(s) erected on a property participating in this program is demolished before the grant period expires, the remainder of the monies to be paid out under the grant shall be forfeited;
- k) The owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the Municipality proof that the RSC has been acknowledged by the Ministry of Environment (MOE).

### **3.7.4 Administration**

Guidelines for the administration of this program are attached in Appendix A. Appendix A does not form part of this Plan. The Guidelines for administration of this program may be changed from time to time, as required, without amendment to this Plan.

# **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

## **4.0 MUNICIPAL LEADERSHIP STRATEGY**

### **4.1 Purpose**

The purpose of the Municipal Leadership Strategy is to set out a strategy for the Municipality to provide proactive and visible leadership, support and coordination of brownfield and bluefield redevelopment. The public sector actions contained in the Municipal Leadership Strategy are designed to act as catalysts to leverage private sector investment in brownfield and bluefield sites.

The legislative authority for the Municipal Leadership Strategy is established under Sections 28(3) and 28(6) of the *Planning Act*. As per Sections 28(3) and 28(6) of the *Planning Act*, once a Community Improvement Project Area has been designated and a CIP is approved, a municipality may:

- a) acquire, hold, clear, grade or otherwise prepare land for community improvement;
- b) construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan; and
- c) sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan.

Therefore, the Municipality may engage in any of these activities as part of its Municipal Leadership Strategy in order to promote the undertaking of targeted projects that are identified and approved by the Municipality.

### **4.2 Program Description**

The 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 and bluefield sites in Chatham-Kent. Pilot projects can showcase the use of innovative tools such as new environmental remediation technologies, the use of environmental insurance, and/or energy efficient building technologies. The Municipality may also issue Requests for Proposals (RFP's) on Municipally owned brownfield and bluefield sites and/or participate in public/private partnerships to remediate, rehabilitate, adaptively reuse and improve publicly owned bluefield sites and privately and publicly owned brownfield sites. This may include properties for which there has been a failed tax sale.

Authority under the Municipal Leadership Strategy will be exercised in order that the rehabilitation of land and/or buildings may occur in conformity with this Plan. Actions undertaken by the Municipality pursuant to the Municipal Leadership Strategy will be subject to Council approval.

The Municipal Leadership Strategy will be funded from the 20% of the tax increment that is retained by the Municipality as a result of properties participating in the Rehabilitation Grant Program, and any initial seed funding allocated by Council. Said funding will be placed in a Brownfield and Bluefield Leadership Projects Account. As funds accrue in this account, the Municipality may use these funds to:

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

- i) conduct environmental site assessments on Municipally owned properties that are potentially contaminated;
- ii) conduct feasibility studies on bluefield sites;
- iii) remediate, rehabilitate, reuse and improve municipally owned brownfield and/or bluefield properties, including pilot projects to showcase innovative remediation approaches and technologies, the use of tools such as environmental insurance, and innovative energy efficiency technologies;
- iv) conduct environmental site assessments on properties controlled or acquired through the tax arrears sales process;
- v) acquire and remediate, rehabilitate, reuse and improve key privately owned brownfield sites and/or bluefield sites;
- vi) fund brownfield pilot projects (public-private partnerships) to remediate, rehabilitate, reuse and improve privately and publicly owned brownfield properties; and
- vii) educate and inform the public about the importance of brownfield and bluefield redevelopment.

The Brownfield Leadership Projects Account will function as a revolving fund with any profits from the Municipality's brownfield/bluefield project activities deposited back into the fund. The allocation of the 20% tax increment assistance to the Brownfield Leadership Projects Account will end when the Rehabilitation Grant Program ends. At that time, the Municipality may return funds remaining in the Brownfield Leadership Projects Account to general revenues or continue to utilize these funds for Municipal Leadership activities until the Brownfield Leadership Projects Account is exhausted.

The Municipal Leadership Strategy will also provide funding to allow the Municipality to access brownfield feasibility study and remediation funding available from the federal government through the Federation of Canadian Municipalities (FCM) Green Municipal Funds. The Green Municipal Enabling Fund (GMEF) is a seven-year, \$50 million fund that provides grants to support feasibility studies, i.e., studies that assess the technical, environmental and/or economic feasibility of innovative municipal or municipally sponsored projects. The Green Municipal Investment Fund (GMIF) is a \$200 million permanent revolving fund that supports the implementation of innovative environmental infrastructure projects by way of low interest loans and grants. The Green Municipal Funds were recently augmented with \$150 million through the Federal budget to provide loans to assist communities with the cleanup and redevelopment of brownfields.

The Municipality was successful in obtaining a grant from FCM for the preparation of this Brownfield Strategy and CIP. The Municipal Leadership Strategy will allow the Municipality the financial means and framework to leverage FCM funding to help achieve the goals and objectives of this CIP.

# Chatham-Kent Brownfield & Bluefield Community Improvement Plan

## 5.0 IMPLEMENTATION & MONITORING

### 5.1 Administration

Implementation and monitoring of the CIP require involvement from several Municipal departments. The Brownfield/Bluefield Technical Advisory Committee will be responsible for oversight and monitoring of the performance of the CIP programs and strategies in relation to the stated Goals and Objectives, the policies of the Official Plan and other related Municipal initiatives.

### 5.2 Timeframes

It is anticipated that the CIP will be implemented over a 10-year period. Council may elect to extend the implementation period as it deems appropriate or necessary, subject to the availability of funding, as approved by Council. An extension to the implementation period shall not require the approval of the Province.

### 5.3 Monitoring Program

Figure 1 presents a list of the variables that may be monitored on an individual project and aggregate basis for all projects participating in the CIP programs. Monitoring also includes the feedback received from users of the financial incentive programs. Progress on implementing the actions contained in the CIP and monitoring of participation in and the results of the financial incentive programs will be reported on a regular basis (at least annually) to Municipality Council.

**Figure 1 – Variables to be Monitored**

Program	Variable
1) <b>Environmental Study Grant Program</b>	<ul style="list-style-type: none"> <li>- Number of applications</li> <li>- Type of ESA (Phase II, Phase III or Risk Assessment)</li> <li>- Cost of study</li> <li>- Amount of Environmental Study Grant</li> <li>- Number of Environmental Study Grant Applications leading to Tax Assistance, Rehabilitation Grant Applications and/or actual environmental remediation and rehabilitation projects</li> </ul>
2) <b>Feasibility Study Grant Program</b>	<ul style="list-style-type: none"> <li>- Number of applications</li> <li>- Type of Feasibility Study</li> <li>- Cost of study</li> <li>- Amount of Feasibility Study Grant</li> <li>- Number of Feasibility Study Grant Applications leading to Tax Assistance, Rehabilitation Grant Applications and/or actual environmental remediation and rehabilitation projects</li> </ul>

# Chatham-Kent Brownfield & Bluefield Community Improvement Plan

**Figure 1 – Variables to be Monitored**

Program	Variable
<b>3) Tax Assistance Program)</b>	<ul style="list-style-type: none"> <li>- Number of applications</li> <li>- Increase in assessed value of participating properties</li> <li>- Estimated and actual amount of Municipal and education tax assistance provided</li> <li>- Hectares/acres of land remediated and redeveloped</li> <li>- Industrial/commercial space (sq.ft.) rehabilitated or constructed</li> <li>- Residential units/sq.ft. rehabilitated or constructed</li> <li>- Value (\$) of private sector investment leveraged</li> <li>- Jobs created/maintained</li> <li>- Number of program defaults</li> </ul>
<b>4) Rehabilitation Grant Program</b>	<ul style="list-style-type: none"> <li>- Number of applications</li> <li>- Increase in assessed value of participating properties</li> <li>- Increase in Municipal and education property taxes of participating properties</li> <li>- Estimated and actual amount of tax increment based grants provided</li> <li>- Hectares/acres of land remediated and redeveloped</li> <li>- Industrial/commercial space (sq.ft.) rehabilitated or constructed</li> <li>- Residential units/sq.ft. rehabilitated or constructed</li> <li>- Value (\$) of private sector investment leveraged</li> <li>- Jobs created/maintained</li> <li>- Number of program defaults</li> </ul>

## 5.4 Marketing Strategy

This Strategy will be utilized to build community awareness and support for the Brownfield and Bluefield CIP, and to stakeholders aware of the available financial incentive programs brownfield and bluefield development opportunities. The Strategy proposes a series of marketing actions designed to aggressively and regularly communicate and explain the incentive programs, and market both publicly and privately owned brownfield and bluefield redevelopment opportunities to stakeholders. Stakeholders include property owners, the development industry, real estate professionals, environmental consultants, planning consultants, lawyers, accountants, other support professionals and the citizens of Chatham-Kent.

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

### **5.5 Revisions to the Community Improvement Plan**

The monitoring of the CIP may lead to revisions to the programs and strategies. Therefore, the Municipality may periodically review and adjust the terms, eligibility requirements, duration or level of incentives contained in any of the programs contained in this Plan, or discontinue any of the programs contained in this Plan without amendment to the Plan. The addition of new programs or strategies that are not expressly referenced in this Plan will require a formal amendment in accordance with Section 28 of the *Planning Act*. Any formal amendments to this Plan will require approval by the Province, and shall be undertaken in accordance with Section 28 of the *Planning Act*.

### **5.6 Financial Management**

The Municipality will ensure that implementation of the Plan is financially viable. This Plan will be managed to ensure that the required capital expenditure to implement the programs and strategies are accounted for in an equitable and appropriate manner. Council shall establish the overall level of program funding in relation to each of the programs and strategies identified in this Plan as part of the annual Municipal budget process. Council will determine if changes in the funding and incentive levels are necessary or warranted to ensure that the CIP functions properly in light of the Municipality's financial circumstances. As noted in Section 5.5, the Municipality may make changes to the terms of the programs, or discontinue the programs, without amendment to this Plan.

# **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

## **6.0 CONCLUSIONS**

This CIP provides a proactive framework, containing a set of strategies and financial incentive programs that are designed to encourage the remediation, rehabilitation, and redevelopment of brownfield and bluefield sites in Chatham-Kent. This CIP contains strategies and programs that area designed to achieve the Goals and Objectives of this Plan, and improving overall social, environmental and economic circumstances in the Municipality.

Implementation of this Plan will:

- rehabilitate and enhance underutilized, abandoned and potentially contaminated sites throughout the Municipality, including the urban areas, hamlets and agricultural area;
- increase tax assessment and revenues for the Municipality and the Province of Ontario;
- reduce outward urban expansion onto prime agricultural lands by encouraging the redevelopment of underused, vacant and potentially contaminated sites;
- improve the physical and visual quality of the Municipality;
- improve environmental health and public safety within the Municipality; and
- retain and increase employment, shopping and living opportunities within the Municipality.

# Chatham-Kent Brownfield & Bluefield Community Improvement Plan

## APPENDIX “A” – PROGRAMS ADMINISTRATION

*This does not constitute an operative part of the Community Improvement Plan.*

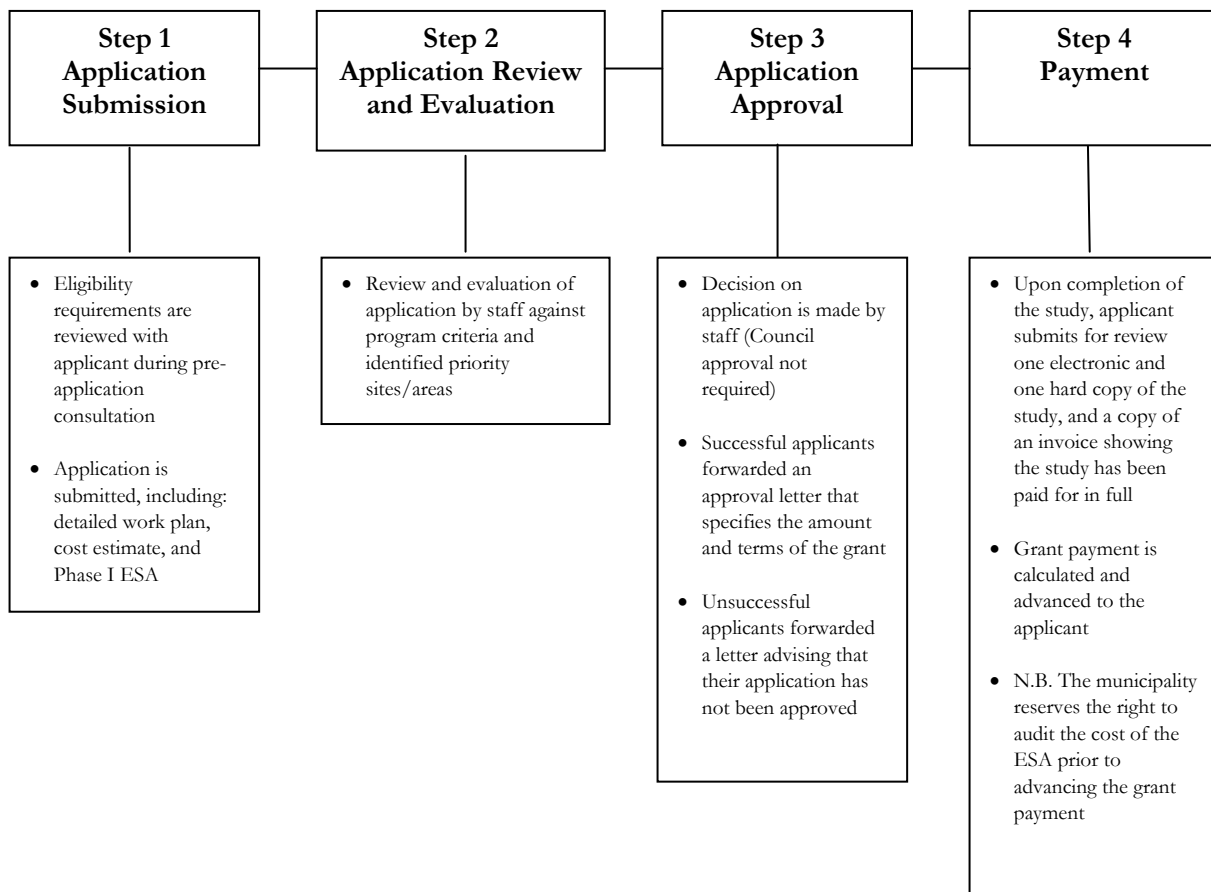
### A.1 Environmental Study Grant Program

Applications shall be submitted to Municipality and shall include a detailed work plan and budget for the required study. Applications must be accompanied by a Phase I ESA that demonstrates site contamination is likely. Program eligibility will be determined by the Municipal staff and applications will be approved by Municipal staff only if they meet the criteria specified in this Plan and any other requirements of the Municipality.

If an application is approved, the applicant will be sent a letter that outlines the terms and the amount of the grant. The grant amount will be based on 50% of the estimated cost of the study (excluding G.S.T) or 50% of the actual cost of the study (excluding G.S.T), whichever is less. If an application is not approved, the applicant will also be advised by letter.

Upon receipt of one (1) hard copy and (1) electronic copy of the final study report with the original invoice indicating that the study consultants have been paid in full, a cheque in the mount of the approved grant will be issued to the applicant.

**Figure 1 Environmental Study Grant Program Administration**



# Chatham-Kent Brownfield & Bluefield Community Improvement Plan

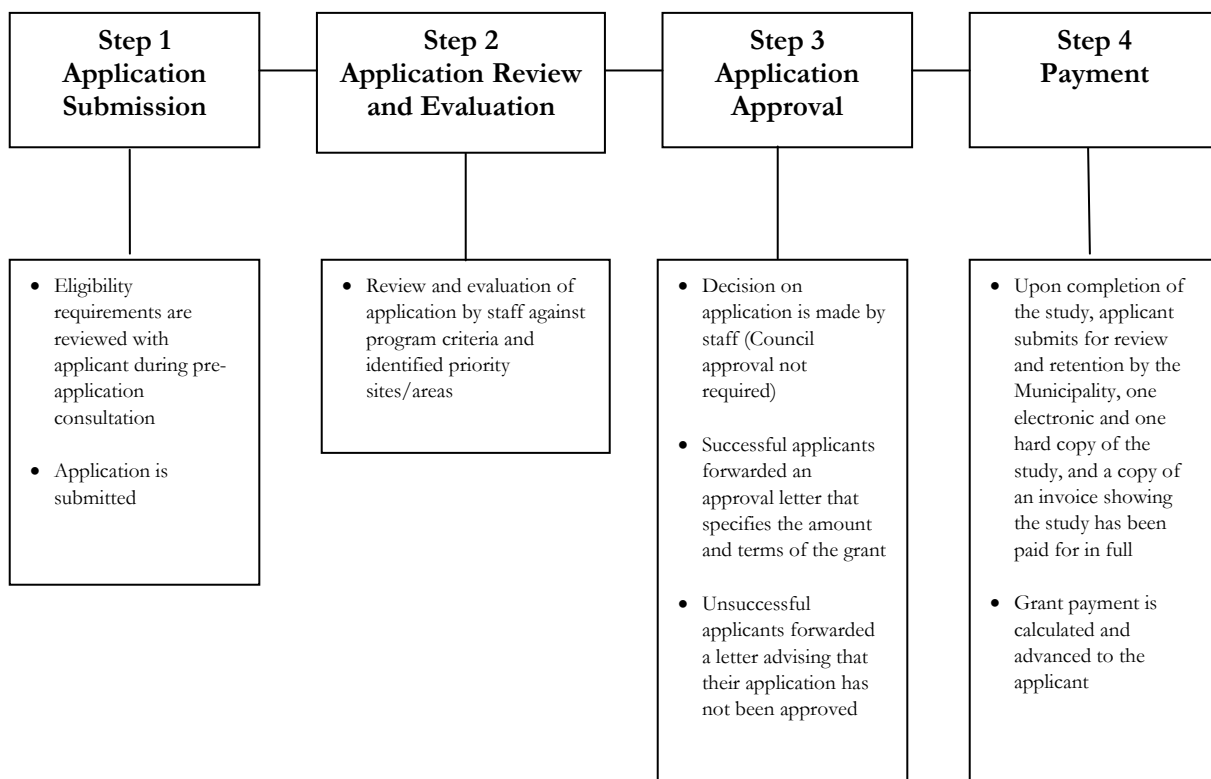
## A.2 Feasibility Study Grant Program

Applications shall be submitted to Municipality and shall include a detailed work plan and budget for the required study. Program eligibility will be determined by the Municipal staff and applications will be approved by Municipal staff only if they meet the criteria specified in this Plan and any other requirements of the Municipality.

If an application is approved, the applicant will be sent a letter that outlines the terms and the amount of the grant. The grant amount will be based on 50% of the estimated cost of the study (excluding G.S.T) or 50% of the actual cost of the study (excluding G.S.T), whichever is less. If an application is not approved, the applicant will also be advised by letter.

Upon receipt of one (1) hard copy and (1) electronic copy of the final study report with the original invoice indicating that the study consultants have been paid in full, a cheque in the mount of the approved grant will be issued to the applicant.

**Figure 2 Feasibility Study Grant Program Administration**



## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

### **A.3 Tax Assistance Program**

Applicants will be required to have a pre-application consultation meeting with Municipal staff in order to determine program eligibility, proposed scope of work, and project timing.

Applications shall be submitted to the Municipality and shall be accompanied by a Phase II ESA and/or Phase III ESA and/or Risk Assessment prepared by a qualified person that identifies and details estimated eligible costs and a work plan and budget for the proposed remediation. The Municipality may also require submission of a Business Plan.

Before accepting an application, Municipal staff will screen the application. If the application clearly does not meet the program requirements, the application will not be accepted. Acceptance of the application by the Municipality in no way implies approval of the tax assistance. Applications will be recommended for approval only if they meet the requirements specified in this Plan and any other requirements of the Municipality.

The actual pre-project education and Municipal property taxes and estimated post-project assessed value and applicable tax rate will be used to calculate the estimated post-project property taxes, increase in Municipal property taxes, education property taxes, and the estimated maximum amount of Municipal and education property tax assistance to be provided during the rehabilitation period and the development period (as defined under Section 365.1 (1) of the *Municipal Act*).

Where Municipal staff will be recommending approval of an application for Tax Assistance, Municipal staff will prepare the following documents:

- i) A recommendation report to Council or Council's designate on the Tax Assistance Program Application;
- ii) a Tax Assistance Program Agreement;
- iii) a draft by-law to authorize municipal and education tax assistance under Section 365.1 of the *Municipal Act*; and
- iv) an application to the Minister of Finance for matching education property tax assistance.

This draft by-law, along with the application for matching education property tax assistance will be forwarded to the Minister of Finance. Once written approval of the by-law is received from the Minister of Finance, any conditions or restrictions specified by the Minister will be included in the by-law.

The recommendation report, the Agreement (dated and signed by the property owner), and the by-law will then be forwarded to Council (or Council's designate) for consideration. Once Council (or Council's designate) approves the Tax Assistance Program Application and the Agreement, and adopts the by-law, the agreement will be executed by the authorized Municipal officials and a copy will be provided to the property owner. A copy of the by-law, including all information prescribed by Ontario Regulation 274/04 will be forwarded to the Minister of Municipal Affairs and Housing and the Minister of Finance within 30 days of passing of the by-law by the Municipality.

## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

Where the Minister of Finance has approved an application for matching education property tax assistance, the Municipal property tax assistance and education property tax assistance will begin when the Municipal council passes a Minister of Finance approved by-law for tax assistance. Where applicable, the Municipal property tax assistance will continue during the “development period” as defined under Section 365.1 (1) of the *Municipal Act*, and as specified in the by-law. Where applicable, the education property tax assistance will continue for a period of time as authorized by the Minister of Finance, and as specified in the by-law.

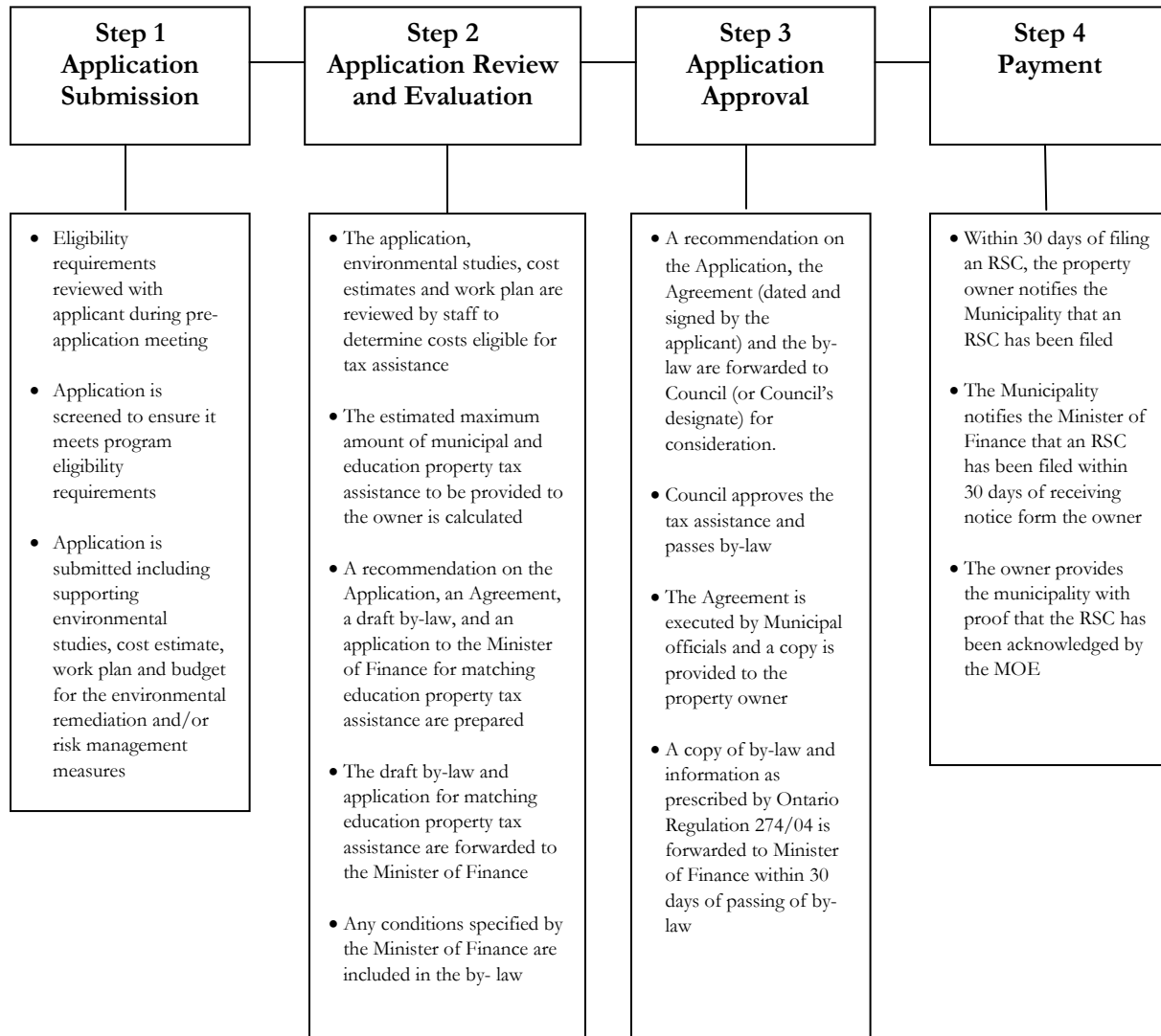
Once remediation of the property is complete, the property owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the Municipality proof that the RSC has been acknowledged by the Ministry of Environment (MOE). The owner shall, within 30 days of filing the RSC, notify the local Municipality of the filing, and within 30 days after receiving said notice, the Municipality shall advise the Minister of Finance of the filing of the RSC.

The Ministry of Finance’s tax assistance will be given as a tax deferral followed by cancellation to the landowner when conditions are met. During the deferral and cancellation stage the landowner would not be required to pay the education taxes that have been deferred or cancelled. The Municipality has the option of providing conditional tax assistance, which means that the tax assistance will not be provided until the landowner has first met Municipal conditions related to the rehabilitation and development of the lands. Under a conditional tax assistance scenario, the Municipality has decided to provide no deferral, only cancellation when conditions are met. The full Municipal taxes are payable and collected until these conditions have been satisfied. Once the conditions have been satisfied the Municipality would provide the accumulated tax assistance to the landowner as identified in the by-law.

# Chatham-Kent Brownfield & Bluefield Community Improvement Plan

Figure 3

Tax Assistance Program Administration



## **Chatham-Kent Brownfield & Bluefield Community Improvement Plan**

### **A.4 Rehabilitation Tax Increment Based Grant Program**

Applicants will be required to have a pre-application consultation meeting with Municipal staff in order to determine program eligibility, proposed scope of work, and project timing.

Applications shall be submitted to the Municipality and shall include a detailed work plan and cost estimate for the proposed eligible works. The application will be accompanied by a Phase II ESA and/or Phase III ESA and/or Risk Assessment prepared by a qualified person that identifies and details estimated eligible costs and a work plan and budget for the proposed remediation OR proof that an RSC for the proposed use of the property has been acknowledged by the MOE. The Municipality may also require submission of a Business Plan.

Before accepting an application, Municipal staff will screen the application. If the application clearly does not meet the program requirements, the application will not be accepted. Acceptance of the application by the Municipality in no way implies approval of the grant. Applications will be recommended for approval only if they meet the requirements specified in this Plan and any other requirements of the Municipality.

The actual pre-project Municipal property taxes and estimated post-project assessed value and applicable tax rate will be used to calculate the estimated post-project property taxes, increase in Municipal property taxes, and the estimated annual and total grant amount to be provided.

Where Municipal staff will be recommending approval of an application for a Rehabilitation Grant, Municipal staff will prepare the following documents:

- i) a recommendation report to Council or Council's designate; and
- ii) a Rehabilitation Grant Program Agreement.

The recommendation report and the Agreement (dated and signed by the property owner), will then be forwarded to Council (or Council's designate) for consideration. Once Council (or Council's designate) approves the Application and the Agreement, the agreement will be executed by the authorized Municipal officials and a copy will be provided to the applicant.

Once remediation of the property is complete, the property owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the Municipality proof that the RSC has been acknowledged by the Ministry of Environment (MOE). The owner shall, within 30 days of filing the RSC, notify the local Municipality of the filing, and within 30 days after receiving said notice, the Municipality shall advise the Minister of Finance of the filing of the RSC.

Once the project is complete, an occupancy permit has been issued, and the property has been re-valued by the MPAC, the property owner will be sent a new tax bill. After the property owner has paid in full the new taxes for one (1) year, the Municipality will check to see that the property is not in tax arrears and that the property is still in conformity with the terms of the Rehabilitation Grant Program Agreement. The Municipality will calculate the actual tax increment and grant payment. The Municipality will then issue payment of the grant in the form of a cheque in the amount specified as per the calculation of the actual grant payment.

# Chatham-Kent Brownfield & Bluefield Community Improvement Plan

Figure 4 Rehabilitation Grant Program Administration

