

**Attachment 2**

**AMENDMENT NO. 1**

**TO THE**

**CITY OF GUELPH BROWNFIELD  
REDEVELOPMENT COMMUNITY  
IMPROVEMENT PLAN**

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# **AMENDMENT NO. 1 TO THE CITY OF GUELPH BROWNFIELD REDEVELOPMENT COMMUNITY IMPROVEMENT PLAN**

- PART A - THE PREAMBLE** The Preamble contains the rationale and certain background information in support of the amendment. The Preamble does not form part of this amendment.
- PART B - THE AMENDMENT** consists of the specific text changes introduced to the City of Guelph Brownfield Redevelopment Community Improvement Plan through the Amendment.
- PART C - THE APPENDICES** contains background data and public participation associated with this amendment. The appendices do not constitute part of Amendment No. 1 City of Guelph Brownfield Redevelopment Community Improvement Plan.

## **PART A - THE PREAMBLE**

### **PURPOSE**

The purpose of The City of Guelph Brownfield Redevelopment Community Improvement Plan (CIP) Amendment No. 1 is to amend the CIP in accordance with the recommendations the City's review of the CIP to:

- make minor changes to the CIP to assist in administration of the grant programs;
- increase the Environmental Study Grant maximum from \$15,000 to \$30,000 per study;
- adjust the application timing requirements for the Environmental Study Grant program;
- allow for late payment of Development Charges (DC) on brownfield sites to be reimbursed by the Tax Increment Based Grant program;
- extend the timeframe for the CIP programs for another five years; and
- update the policy context section of the plan to reflect changes since the CIP was approved in 2012.

### **BACKGROUND**

Brownfields are abandoned, idled, or underused properties where expansion or redevelopment is complicated by real or perceived environmental contamination as a result of historical land use practices. These sites can have significant environmental, economic and social impacts on the community. However, remediation and redevelopment can result in improvements to soil and groundwater conditions, lead to job retention and creation, improve public safety and security, and allow for efficient use of existing hard and soft services.

The purpose of the Brownfield Redevelopment Community Improvement Plan (CIP) is to facilitate redevelopment of these sites by providing financial incentives that partially offset the cost of investigation and remediation of sites with redevelopment potential.

The City's Brownfield Redevelopment CIP was approved in 2012 and established the following financial incentives:

- Environmental Study Grant (ESG) program
- Tax Increment-Based Grant (TIBG) program
- Tax Assistance (TA) program

These programs were established to stimulate private sector investment by partially offsetting costs associated with site assessment, remediation and redevelopment of brownfields in order to facilitate their redevelopment.

The CIP includes provisions to monitor the outcomes of the programs, and to review and update the CIP as necessary every five years. The City undertook a review of the CIP in 2017 and 2018.

## **LOCATION**

The Brownfield Redevelopment Community Improvement Plan (CIP) applies to all lands within the City of Guelph.

## **BASIS**

Amendment No 1 updates the existing 2012 Brownfield Redevelopment CIP. This Amendment reviews and ensures consistency with Provincial and City policy. Furthermore, Amendment No. 1 is based on the monitoring information included in Report #IDE-2018-01 entitled "Downtown, Brownfield and Heritage Grant Performance Monitoring: 2010-2017 and Potential CIP Review Directions" and the analysis presented in Report #IDE-2018-24, "Statutory Public Meeting: Brownfield Redevelopment Community Improvement Plan Update" These two reports are included as Appendices 1 and 2 to this amendment respectively. Additional planning rationale, responses to public feedback, refinements and final recommendations are provided in report #IDE-2018-xx included as Appendix 3.

Amendment No. 1 was undertaken in accordance with Section 28 of the Planning Act.

## **SUMMARY**

The following is a summary of Amendment No. 1:

- The policy context included in Section 3 of the CIP is updated to reflect changes to the Provincial Policy Statement and the Growth Plan for the Greater Golden Horseshoe.
- Descriptions of other policy and strategies were relevant to the development of the CIP in 2012 or the City's Official Plan review that was ongoing at the time have been deleted because their context is no longer needed for the 2017 update to the CIP.
- The ESG program terms are amended such that cost incurred after the date of application can be reimbursed if the application is eventually approved by the City.
- Maintaining the maximum Environmental Study Grant amount per property at \$30,000, and eliminating the per study maximum of \$15,000.
- The CIP's current requirement for a Record of Site Condition (RSC) for the TIBG program is replaced by a requirement for City approval in accordance with City policies and guidelines that have been established since the CIP was approved in 2012.

- The TA and TIBG program definition of eligible costs are amended to clarify that only those costs that are incurred because the site is contaminated and are in addition to typical greenfield construction costs are eligible.
- Clarity is provided that HST is not eligible for reimbursement.
- The prohibition on grants to those who knowingly polluted their properties is expanded to anyone who polluted the property, whether knowingly or not.
- Policy guidance is provided for allowing TIBG grant recipients to enter into Development Charges late payment agreements.
- The duration of each program to 5 years after the approval of Amendment #1.

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## **PART B - THE AMENDMENT**

### **Format of the Amendment**

This section (Part B) of Amendment No. 1 sets out additions and changes to the text in the City of Guelph Brownfield Redevelopment Community Improvement Plan (CIP). Sections of the CIP that are being added or changed are referred to as "ITEMS" in the following description. Text to be amended is illustrated by various font types (e.g. ~~struck-out~~ is to be deleted and **bold** text is to be added). Unchanged text represents existing CIP text that is being carried forward. Unchanged text has been included for context and does not constitute part of Amendment No. 1.

### **Implementation and Interpretation**

Implementation of this amendment shall be in accordance with the provisions of the *Planning Act*. Further implementation and associated interpretation of this amendment shall be in accordance with the relevant text of the existing CIP and applicable legislation.

Amendment No. 1 should be read in conjunction with the current City of Guelph Brownfield Redevelopment Community Improvement Plan (2012) which is available on the City's website at [guelph.ca/brownfields](http://guelph.ca/brownfields), or at the Planning, Urban Design and Building Services office located at 1 Carden Street on the 3<sup>rd</sup> Floor.

### **Details of the Amendment**

**ITEM 1:** The purpose of 'ITEM 1' is to update the references to Community Improvement Polices introduced by Official Plan Amendment #47.

#### **Section 1.4 is hereby amended as follows:**

City Council ~~recently~~ adopted Official Plan Amendment (OPA) No. 47 which updated the Community Improvement and Renewal policies in ~~Section 4.7~~ of the City's Official Plan. OPA No. 47 specifies that the entire City of Guelph, or any part of the City, may be designated by by-law as a Community Improvement Project Area.

The purpose of this Brownfield Redevelopment CIP is to update the Brownfield Redevelopment CIP including enhancements to the incentive programs designed to promote brownfield redevelopment in the City of Guelph. This Brownfield Redevelopment CIP, **approved in 2012 and amended in XXXX**, replaces the original Brownfield Redevelopment CIP as approved in 2004, and as updated in 2008.

~~This~~ **The 2012** Brownfield Redevelopment CIP was developed based on a thorough review of:

- a) brownfield related legislation and regulations;
- b) applicable Provincial, and City policies relating to brownfield redevelopment;
- c) best practices used in other municipalities to promote brownfield redevelopment;
- d) input received from the Internal Project Steering Committee (IPSC) which is made up of senior City staff in several departments;
- e) input received from Council; and,
- f) a comprehensive program of stakeholder and public consultation that included stakeholder interviews, a stakeholder workshop, and two public meetings.

**ITEM 2:** The purpose of 'ITEM 2' is to update the policy framework provided by the Provincial Policy Statement (2014).

Section 3.1 is hereby deleted in its entirety and replaced as follows:

### **3.1 Provincial Policy Statement (PPS 2014)**

**The Provincial Policy Statement (PPS) is issued under Section 3 of the Planning Act and is intended to guide municipalities as they make planning decisions. The Planning Act requires that municipal decisions in respect of the exercise of any authority that affects a planning matter "shall be consistent with" the PPS. Community improvement plans must be consistent with the PPS.**

**The PPS provides for appropriate development while protecting resources of provincial interest, public health and safety, and the quality of the natural and built environment. The Provincial Policy Statement supports improved land use planning and management, which contributes to a more effective and efficient land use planning system.**

**The PPS supports the remediation and redevelopment of brownfield sites. For example, section 1.7.1 e) of the PPS states that "long-term economic prosperity should be supported by promoting the redevelopment of brownfield sites". Brownfields are defined in the PPS as "undeveloped or previously developed properties that may be contaminated. They are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant".**

**The PPS also supports growth management approaches that include intensification. For example, section 1.1.3.3 of the PPS states "planning authorities shall identify appropriate locations and promote opportunities for intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and**

public service facilities required to accommodate projected needs". Therefore, the PPS supports brownfield redevelopment as a way to achieve the goal of promoting intensification and redevelopment. Other policies in the PPS (sections 1.1.1 a), 1.1.1 g) and 1.6.3) support the management of growth to achieve efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term. The redevelopment of brownfields has a role to play in this regard.

Finally, section 3.2.2 of the PPS states that " Sites with contaminants in land or water shall be assessed and remediated as necessary prior to any activity on the site associated with the proposed use such that there will be no adverse effects (as defined in the EPA)." This policy directs municipalities to make planning decisions that ensure identified contaminated sites are assessed and remediated to an appropriate level prior to use or reuse.

**ITEM 3:** The purpose of 'ITEM 3' is to update the policy framework provided by the Growth Plan for the Greater Golden Horseshoe (2017).

Section 3.2 is hereby deleted in its entirety and replaced with:

### **3.2 Places to Grow Growth Plan**

The Growth Plan for the Greater Golden Horseshoe is a long-term plan that works to manage growth, build complete communities, curb sprawl and protect the natural environment. This plan applies to Guelph and is enabled by the Places to Grow Act. All planning decisions must conform or not conflict with the Growth Plan.

The Growth Plan works to:

- Support the achievement of complete communities that offer more options for living, working, learning, shopping and playing.
- Reduce traffic gridlock by improving access to a greater range of transportation options.
- Provide housing options to meet the needs of people at any age.
- Revitalize downtowns to become more vibrant and to provide convenient access to an appropriate mix of jobs, local services, public service facilities and a full range of housing.
- Curb sprawl and protect farmland and green spaces.
- Promote long-term economic growth.

The Growth Plan provides population and employment targets for the City to the year 2041. It provides a focus on growing through intensification noting that better use of land and infrastructure can be made by directing growth to settlement areas and prioritizing intensification, with a focus on



**strategic growth areas, such as downtown, as well as brownfield sites.**

**ITEM 4:** The purpose of 'ITEM 4' is to delete reference to the Brownfield Strategy.

Section 3.3 is hereby deleted in its entirety.

**ITEM 5:** The purpose of 'ITEM 5' is to delete policy context regarding the Local Growth Management Strategy.

Section 3.4 is hereby deleted in its entirety.

**ITEM 6:** The purpose of 'ITEM 6' is to update the policy framework provided by the Official Plan.

Section 3.5 is hereby amended as follows:

The City of Guelph Official Plan contains Community Improvement policies. These policies were amended by Official Plan Amendment (OPA) No. 47 which came into effect on October 26, 2011. These ~~new~~ Community Improvement policies are very comprehensive, include updated terminology and references, and support a broader range of community improvement objectives and activities. The ~~new~~ Community Improvement policies in the City's Official Plan are contained in Appendix A.

**ITEM 7:** The purpose of 'ITEM 7' is to delete policy context regarding the Community Energy Plan.

Section 3.6 is hereby deleted in its entirety.

**ITEM 8:** The purpose of 'ITEM 8' is to delete policy context regarding the Employment Lands Strategy.

Section 3.7 is hereby deleted in its entirety.

**ITEM 9:** The purpose of 'ITEM 9' is to delete policy context regarding the Urban Design Action Plan.

Section 3.8 is hereby deleted in its entirety.

**ITEM 10:** The purpose of 'ITEM 10' is to delete policy regarding Secondary Plans to the Official Plan.

Section 3.9 is hereby deleted in its entirety.

**ITEM 11:** The purpose of 'ITEM 11' is to delete policy context regarding the Downtown Guelph CIP.

Section 3.10 is hereby deleted in its entirety.

**ITEM 12:** The purpose of 'ITEM 12' is to introduce a new subsection regarding Consultation on Development of the 2012 CIP.

The words "**Consultation on Development of the 2012 CIP**" are hereby inserted immediately after the words "4.0 CONSULTATION".

**ITEM 13:** The purpose of 'ITEM 13' is to introduce a new section regarding Consultation on the 2018 CIP Update.

A new section is hereby inserted after the words "analyzed by the consultant." In section 4.5 as follows:

#### **Consultation on the 2018 CIP Update**

**Because of the minor and technical nature of anticipated changes to the CIP, the community engagement approach was scoped to interviews with key stakeholders who have had direct experience with the programs. They are in a good position to evaluate the programs' strengths and weaknesses. Staff solicited 11 stakeholders for interviews including developers, environmental consultants and Ministry of the Environment and Climate Change (MOECC) staff. Six interviews were conducted and two emails were received.**

**The project team also interviewed other staff involved in the administration of the CIP programs from the following departments:**

- Engineering and Capital Infrastructure Services**
- Finance, Client Services**
- Finance, Taxation and Revenue**
- Business Development and Enterprise**
- Legal, Realty and Risk Services**

**ITEM 14:** The purpose of 'ITEM 14' is to remove detail on the rationale for establishing the Community Improvement Project Area

Section 5.0 is hereby amended as follows:

The Community Improvement and Renewal policies in the City's Official Plan specify that the entire City of Guelph, or any part of the City, may be designated by by-law as a Community Improvement Project Area. ~~Based on information compiled in a historical land use database of 400 properties, potential brownfield sites in Guelph are located both in the older built-up part of city, as well as being spread across the City. The prevailing trend in municipalities now preparing comprehensive Brownfield CIPs is to designate the entire municipality, or at least the entire urban area, as the~~

~~Community Improvement Project Area to which their Brownfield CIP will apply. Based on the location of potential brownfield sites in the City of Guelph, such an approach to designation of the community improvement project area for the Brownfield Redevelopment CIP is appropriate. Therefore, The Community Improvement Project Area for this Brownfield CIP is designated as all land within the municipal boundaries of the City of Guelph.~~

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**ITEM 15:** The purpose of 'ITEM 15' is to amend section 6.0, Figure 2: Summary of Incentive Programs to reflect proposed program changes.

Section 6.0 is hereby amended as follows:

Program Name	Program Description	Recommended Program Duration <sup>9</sup>
Environmental Study Grant (ESG) Program	<ul style="list-style-type: none"> <li>- Grant equivalent to 50% of the cost of a Phase II environmental site assessment, designated substances and hazardous materials survey, remedial work plan or risk assessment.</li> <li>- Maximum grant of \$<del>15</del><b>30</b>,000 per <b>property/project</b> environmental study.</li> <li>- Maximum of 2 studies per property/project.</li> <li>- <del>Maximum total grant of \$30,000 per property/project.</del></li> </ul>	<ul style="list-style-type: none"> <li><del>Approximately to the end of 2017 with option to extend up to approximately the end of 2023</del></li> <li><b>-5 Years from the date of approval of the 2018 CIP update</b></li> </ul>
Tax Assistance (TA) Program	<ul style="list-style-type: none"> <li>- Cancellation of part or all of the municipal property taxes and education property taxes for up to 3 years.</li> <li>- Cancellation of education property taxes is subject to approval by the Minister of Finance.</li> </ul>	<ul style="list-style-type: none"> <li><del>Approximately to the end of 2023.</del></li> <li><b>5 Years from the date of approval of the 2018 CIP update</b></li> </ul>
Tax Increment Based Grant (TIBG) Program	<ul style="list-style-type: none"> <li>- Grant equivalent to 80% of the municipal property tax increase created by the project for up to 10 years after project completion.</li> </ul>	<ul style="list-style-type: none"> <li><del>Approximately to the end of 2023.</del></li> <li><b>5 Years from the date of approval of the 2018 CIP update</b></li> </ul>

**ITEM 16:** The purpose of 'ITEM 16' is to amend the definition of Environmental Remediation.

Section 6.1 is hereby amended as follows:

Environmental Remediation: Also referred to as "remediation" means any action taken 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.

**ITEM 17:** The purpose of 'ITEM 17' is to amend the application timing requirements for the Environmental Study Grant Program, program eligibility for polluting applicants and to clarify the ineligibility of HST costs.

Section 6.2 is hereby amended as follows:

b) None of the incentive programs contained in this Plan will be offered on a retroactive basis. This means that the City can accept applications for the financial incentive programs contained in this CIP only after this CIP has been adopted by City Council and approved. This also means that **an a complete application for any financial incentive program contained in this CIP must be submitted to and received by the City and that application must be approved by the City prior to the commencement of any eligible study under the (Environmental Study Grant Program). An application must be submitted and approved by the City prior to the commencement of** any eligible works **under the (Tax Assistance Program and/or Tax Increment Based Grant Program)** that are the subject of the application<sup>10</sup>.

c) With the exception of the Environmental Study Grant Program, owners or applicants who are responsible for knowingly polluting their properties will not generally be permitted to make direct application for any of the incentive programs contained in this CIP. However, the City reserves the right to make exceptions to this requirement on a case by case basis where redevelopment benefits to the municipality and community would be very significant.

**q) Sales Taxes (e.g. HST) are not eligible to be reimbursed.**

**ITEM 18:** The purpose of 'ITEM 18' is to amend the Environmental Study Grant Program by increasing the maximum amount to \$30,000 per study.

The third paragraph of Section 6.3.2 is hereby amended as follows:

To help offset the costs of additional environmental studies, the ESG Program will

provide a matching grant of 50% of the cost of an eligible environmental studiesy to a maximum grant of:

- a) ~~\$15~~**30,000** per **property/project** study; **and**
- b) two studies per property/project. ~~and,~~
- c) ~~\$30,000~~ per property/project.

**ITEM 19:** The purpose of 'ITEM 19' is to add clarity on cost that are eligible under the Tax Assistance program.

Section 6.4.2 is hereby amended by adding a new paragraph after the words "environmental insurance premiums."

**"Only costs that are associated with site contamination and are above and beyond otherwise required development costs are eligible."**

**ITEM 20:** The purpose of 'ITEM 20' is to provide for the eligibility for the TIBG program to public properties that make payments in lieu of taxes.

Section 6.5.2 is hereby amended as follows:

The TIBG Program will provide a financial incentive in the form of an annual grant equal to 80% of the increase in municipal property taxes that results from a brownfield redevelopment project for up to ten (10) years. The 20% portion of the increase in municipal taxes will be retained by the City. **Publicly owned properties may also use the TIBG program. In this case, the grant is based on the increase in the municipal portion of payment in lieu of taxes<sup>12</sup>.** The TIBG program is only available for properties where environmental remediation/risk management and rehabilitation/redevelopment results in an increase in assessment value and property taxes. The grant available under this program is generally paid to the original property owner who remediated the brownfield property, even if the property is subsequently sold once it has been remediated. The grant may be assigned to a third party, subject to approval by the City.

Section 6.5.2 is hereby further amended by adding a footnote as follows:

**<sup>12</sup> For this purpose, and only this purpose, all Payments in Lieu of Taxes will be considered "tax".**

**ITEM 21:** The purpose of 'ITEM 21' is to add an eligible costs criterion for the TIBG program.

Section 6.5.2 is hereby amended by adding a new paragraph after the words "50% of building rehabilitation works (excluding permit fees)." as follows:

**Only costs that are associated with site contamination and are above and beyond otherwise required development costs are eligible, except for LEED costs.**

**ITEM 22:** The purpose of 'ITEM 22' is to add a description of the Development Charges late payment program for TIBG grant recipients.

Section 6.5.2 is hereby amended by inserting a new paragraph after the words "re-assessed as a result of the redevelopment." as follows:

**TIBG grant recipients may be eligible to have all or a part of the required Development Charges (DCs) for a project deferred up to the lesser of the estimated Eligible Costs or 80% of the estimated tax increment for 10 years. The first TIBG grants would be directed toward recovering DCs. Once DCs are fully recovered with interest, any remaining Eligible Costs would be reimbursed through TIBG grant payments to the owner. Late payment of DCs will be administered through a DC late payment agreement, enabled by the Development Charges Act, and subject to Council approval.**

**ITEM 23:** The purpose of 'ITEM 23' is to amend section 6.5.3 c) i) to allow TIBG recipients to address site contamination in accordance with City procedures rather than Provincial procedures where appropriate.

Section 6.5.3c)i) is hereby amended as follows:

- 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 **or to meet the requirements of the City's Guidelines for Development of Contaminated or Potentially Contaminated Sites (2016) or its successor;** and,

**ITEM 24:** The purpose of 'ITEM 24' is to amend section 7.3 Program Adjustments to reflect a ministerial name change.

The third paragraph of section 7.3 is hereby amended as follows:

The City will consult with the Ministry of Municipal Affairs ~~and Housing~~ concerning any formal amendments to the Community Improvement Plan.

**ITEM 25:** The purpose of 'ITEM 25' is to renumber all section numbers as

appropriate

All section numbers and cross references are hereby amended to reflect changes introduced by this amendment.

**ITEM 26:** The purpose of 'ITEM 26' is to update the Table of Contents

The Table of Contents is hereby updated to reflect revised headings, section numbers and page numbers to reflect changes introduced by this amendment.

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## **PART C - THE APPENDICES**

The following appendices do not form part of Amendment No. 1 but are included as information supporting the amendment.

Appendix 1: Public Participation

Appendix 2: April 9, 2018 Infrastructure, Development and Enterprise Services Public Meeting Report

Appendix 3: xx 2018 Infrastructure, Development and Enterprise Services Public Decision Report

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# APPENDIX 1

## TO BROWNFIELD REDEVELOPMENT COMMUNITY IMPROVEMENT PLAN AMENDMENT NO. 1

### PUBLIC PARTICIPATION

March 9, 2018	Proposed amendment circulated to the Ministry of Municipal Affairs
March 19, 2018	Public Meeting Notice mailed to prescribed Agencies
March 15, 2018	Public Meeting Notice advertised in the Guelph Tribune
April 9, 2018	Statutory Public Meeting of City Council
xx, 2018	Notice of Decision meeting sent to those who requested to notified
xx, 2018	City Council Meeting to consider staff recommendation

**APPENDIX 2  
TO CITY OF GUELPH BROWNFIELD REDEVELOPMENT  
COMMUNITY IMPROVEMENT PLAN AMENDMENT NO. 1**

**INFRASTRUCTURE, DEVELOPMENT AND ENTERPRISE SERVICES REPORT  
#IDE-2018-24 DATED APRIL 9, 2018**

Attached

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**APPENDIX 3  
TO CITY OF GUELPH BROWNFIELD REDEVELOPMENT  
COMMUNITY IMPROVEMENT PLAN AMENDMENT NO. 1**

**INFRASTRUCTURE, DEVELOPMENT AND ENTERPRISE SERVICES REPORT  
#IDE-2018-XX DATED XX, 2018**

Attached

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