



Burlington Brownfield Focus Community Improvement Plan



March 2021



Copyright © 2021, [Burlington Economic Development]

All rights reserved. No part of this publication may be reproduced, recorded or transmitted in any form or by any means, electronic, mechanical, photographic, sound, magnetic or other, without advance written permission from the owner.

This Study has been produced with the financial assistance of the Green Municipal Fund, a Fund financed by the Government of Canada and administered by the Federation of Canadian Municipalities. Notwithstanding this support, the views expressed are the personal views of the author(s), and the Government of Canada and the Federation of Canadian Municipalities accept no responsibility for them.

This Community Improvement Plan was developed by RCI Consulting on behalf of Burlington Economic Development.

TABLE OF CONTENTS

	Page
1.0 INTRODUCTION	1
1.1 What are Brownfields?	1
1.2 Need for Brownfield Redevelopment in Burlington	1
1.3 Purpose of the Community Improvement Plan	3
1.4 General Methodology	4
1.5 Report Content	5
2.0 LEGISLATIVE FRAMEWORK	6
2.1 Municipal Act, 2011	6
2.2 Planning Act	6
3.0 POLICY DIRECTION	8
3.1 Provincial Policies	8
3.2 Regional Municipality of Halton Policies	9
3.3 City of Burlington Policies	11
4.0 COMMUNITY IMPROVEMENT NEEDS, GOALS AND TARGETS	17
4.1 Methodology	17
4.2 Brownfield Redevelopment	17
4.3 Other Community Improvement Needs	23
5.0 COMMUNITY IMPROVEMENT PROJECT AREA	26
6.0 INCENTIVE PROGRAMS	27
6.1 Approach	27
6.2 General Program Requirements	28
6.3 Environmental Study Grant (ESG) Program	31
6.4 Tax Assistance Program (TAP)	33
6.5 Tax Increment Grant (TIG) Program	36
6.6 Remediation Loan Program (RLP)	40
6.7 Fees Grant Program (FGP)	42
6.8 Regional Funding Participation	43
7.0 MONITORING PROGRAM	44
7.1 Purpose	44
7.2 Description	44
7.3 Program Adjustments	46

TABLE OF CONTENTS

	Page
8.0 MARKETING STRATEGY	47
8.1 Purpose and Key Objectives	47
8.2 Key Messages	47
8.3 Target Audience	48
8.4 Marketing Tools	49
9.0 CONCLUSION	51
10.0 REFERENCES	52
FIGURES	
1 Summary of Incentive Programs	27
2 Tax Increment Grant – Employment Focus	37
3 Monitoring Variables	45
APPENDICES	
A Community Improvement Project Area Prioritization	53
B Eligible Employment Uses	55
C Minimum Employment Density	57

1.0 INTRODUCTION

1.1 What are Brownfields?

Brownfields are abandoned, idled or underutilized properties where past actions have caused known or suspected environmental contamination, but where there is an active potential for redevelopment¹. Brownfields are usually but not always former industrial or commercial properties. Brownfields are often also characterized by building deterioration/obsolescence, and/or inadequate infrastructure.

Brownfields can include many uses such as old landfills, petroleum storage facilities, industrial manufacturing uses and warehouses, dry cleaners, former gasoline stations, and even institutional uses such as schools and hospitals. Most brownfields are located in urban areas and many are located in key areas such as employment areas, downtowns, and major growth centres.

The terms “brownfield redevelopment” and “brownfield development” are used interchangeably in this document to mean the environmental remediation and/or risk assessment/risk management **and** rehabilitation/renovation/adaptive reuse and/or development/redevelopment of brownfields.

1.2 Need for Brownfield Redevelopment in Burlington

The identification of the need for brownfield redevelopment in the City of Burlington had its genesis in two reports on brownfields prepared in 2009 and 2010. The first report in 2009, a Brownfields Variables and Options Report utilized several databases to identify properties in Burlington with a risk of contamination². This report found 294 properties within the city that are potentially contaminated due to historical, industrial or commercial land use practices. The 294 properties include a full range of industrial and commercial uses, from large manufacturing facilities to gas stations and dry cleaners. The 2009 report notes that typically 10% to 30% of properties listed in such preliminary databases would actually be contaminated. Therefore, the study estimated the number of brownfield sites in Burlington would be expected to be in the order of 30 to 90, but this number would be expected to change in response to economic conditions, changes in industrial and commercial operations, and changes to environmental standards (soil and groundwater). Additional details on this report can be found in Section 4.2.1 of this CIP.

The second report on brownfields, prepared in 2010, is the Brownfields Assistance Program Report². This report concluded that in order to promote opportunities for employment growth, attract investment, and grow the City’s tax base, there is a need to make the City’s brownfield remediation and redevelopment opportunities attractive and feasible to potential developers and prospective buyers. The 2010 report notes that without incentives to stimulate future investment in known and potential brownfield sites, the City will likely face a long-term risk to its employment lands base as pressure to change lands to other uses will grow. In addition to the financial challenges to brownfield redevelopment, the 2010 report identified a number of other key challenges to brownfield redevelopment, including the risks and uncertainty associated with brownfield redevelopment, liability issues, regulatory hurdles, the timeframe for remediation, property taxation on brownfield sites, and the timing and process of planning approvals.

¹ National Roundtable on the Environment and the Economy, 2003.

² MMM Group and Metropolitan Knowledge International for the Burlington Economic Development Corporation (BEDC).

Most potential brownfield sites in Burlington, and in particular the larger and more prominent sites, are lands designated for employment uses located along the Queen Elizabeth Way, Highway 403, Highway 407 and Canadian National Railway corridors. Generally, the most prevalent industrial activities on these lands relate to manufacturing, warehousing and wholesale trade, however no single industry dominates. A number of potential brownfield sites are also located in other areas such as the urban centres, major transit station areas (MTSAs), and mixed use nodes and intensification corridors. Therefore, many potential brownfield sites in Burlington are strategically located on lands designated for employment uses and other areas slated for growth and intensification.

These brownfield sites represent a major economic opportunity for the city because Burlington has a high demand for shovel ready employment sites, as showcased by persistently low Industrial vacancy rates, but also has the smallest supply of vacant employment land in Halton³. Therefore, the City needs a supply of unencumbered shovel ready employment sites to ensure it remains economically competitive, vibrant and offers a complete community where people can both live and work.

In addition to the role that brownfields can play in providing much needed shovel ready employment sites in Burlington, there are also real and significant environmental, economic, and social benefits for businesses, property owners, residents, and the City and Region associated with brownfield redevelopment. These benefits are highlighted below.

1.2.1 Environmental Benefits

From an environmental perspective, the contamination of soil and groundwater caused by brownfield sites may be a concern for human health and safety, as well as environmental quality and health. The environmental restoration and redevelopment of brownfield sites serves to improve the environmental quality of soil and groundwater in a community, which in turn can improve human health. The positive impact of brownfield development on the environment is not limited to individual sites because the environmental restoration of individual sites can have a cumulative positive impact on the environment, including the protection of groundwater resources, wetlands and wildlife habitat.

Underused brownfield sites in the serviced urban area also represent a lost opportunity to limit greenfield development at the urban area boundary. Studies have shown that the redevelopment of brownfields can decrease the demand for greenfield development, which in turn reduces the potential environmental impacts associated with greenfield development, such as air and water pollution and the loss of agricultural land. One particular U.S. study found that every acre of brownfield land developed would have required 4.5 acres of greenfield land⁴. This demonstrates the potential of brownfield development to reduce the amount of greenfield land consumed, thereby reducing sprawl and its associated negative environmental impacts, including air and water pollution. By using existing infrastructure, brownfield development can also reduce the costs of urban sprawl, including the costs of providing hard and soft services to greenfield areas.

Brownfield redevelopment projects, be they employment or residential uses, can also reduce the distance between the location of employment areas and residential areas, and therefore transportation costs. For example, one study found that every hectare of brownfield land redeveloped for residential purposes can save as much as \$66,000 a year in transportation costs relative to equivalent greenfield development⁵.

³ Regional Municipality of Halton, Halton Competitiveness Study, Watson & Associates, 2016.

⁴ Deason et.al. 2001.

⁵ Hara Associates. 2003.

1.2.2 Economic Benefits

As previously noted, from an economic perspective, the existence of brownfields can reduce the availability of land for local economic development, thereby limiting employment opportunities. Brownfield sites can also lower surrounding property values, create land use conflicts, and contribute to neighbourhood deterioration. A study of brownfield development in Canada found that every \$1 spent in the Canadian economy on brownfield development generates approximately \$3.80 in total economic output in all industries in the Canadian economy⁶. Numerous other Canadian and U.S. studies have found that brownfield development can increase neighbourhood property values⁷. Experience in Hamilton, Ontario and other municipalities that have had brownfield development programs in place for some time suggests that brownfield development projects can result in a significant increase in long-term property tax revenues to local and provincial governments. As well, the redevelopment of brownfield sites represents an excellent opportunity for a municipality to increase the property tax revenues without incurring the significant upfront and ongoing public infrastructure costs typically associated with greenfield development.

1.2.3 Social Benefits

From a social perspective, brownfield sites can attract vandals, open dumping and other illegal activity that can lead to blight, contributing to neighbourhood and employment area deterioration and negatively impacting the quality of life in a community. While the economic and environmental benefits of brownfield development are more obvious, brownfield development can also generate significant social benefits at the local level. Based on an analysis of a dozen brownfield projects across Canada, the National Roundtable on the Environment and the Economy (NRTEE) concluded that brownfield development can be an engine for urban renewal⁸. Case studies reviewed by the NRTEE showed that this renewal can take the form of:

- neighbourhood, employment area and downtown revitalization;
- improved aesthetic quality of the urban environment;
- provision of affordable housing opportunities;
- creation of recreational and public open spaces;
- improved safety and security; and,
- an increased sense of community participation and civic pride.

Numerous Canadian and U.S. studies have highlighted the benefits of brownfield development at all geographic levels (national, regional, local). However, most of the benefits of brownfield development tend to accrue at the local level because all development, be it brownfield or greenfield, is inherently local. Therefore, a further rationale for promoting brownfield redevelopment in Burlington can be found in the significant economic, environmental, and social benefits that would accrue in Burlington.

1.3 Purpose of the Community Improvement Plan

As briefly described above and further detailed in Section 4.0 of this report, brownfield sites in Burlington have a negative impact on the City's economy. Brownfields negatively impact the City's ability to attract and increase employment on lands designated for employment uses and on other lands which permit employment uses, grow its property tax assessment base and property tax revenues, and meet intensification and growth targets specified in Provincial, Regional and City planning policies.

⁶ Regional Analytics. 2002.

⁷ See for example, Environment Canada. 1998.

⁸ National Roundtable on the Environment and the Economy, 2003.

Furthermore, as noted above, brownfields sites in Burlington also inherently have a negative impact on the environment and the community.

With its focus on brownfields redevelopment for employment uses, the purpose of this Brownfield Focus CIP (the “CIP”) is to establish a municipal framework of incentive programs and accompanying marketing and program monitoring strategies designed to promote the assessment, remediation, development, redevelopment, and adaptive reuse of brownfields for employment by the private sector in Burlington. While the Brownfield Focus CIP focuses on brownfields for employment, there are other areas of community improvement where a CIP could be used to further advance the City’s policy objectives, such as affordable housing, downtown improvement, commercial office improvement/revitalization, employment lands development, sustainability in major transit station areas (MTSAs), and rural economic development. Therefore, additional CIP’s could form part of a future comprehensive CIP strategy for Burlington to address these policy objectives.

Based on a comprehensive methodology, this Brownfield Focus CIP outlines key brownfield community improvement needs, goals and targets. The CIP then presents a recommended Community Improvement Project Area (CIPA), and a toolbox framework of incentive programs designed to help address the brownfield community improvement needs in Burlington and achieve the goals and targets of this CIP.

1.4 General Methodology

A project team comprised of Burlington Economic Development board members, senior Burlington Economic Development staff, City staff from several departments, and Halton Region Planning was established to help guide preparation of this CIP. The project team met several times during preparation of the CIP to receive project updates, review results, and provide input to the consultant.

The first step in the preparation of this CIP was a review of the legislative framework for preparation and adoption of a CIP to promote brownfield redevelopment. This was followed by a scoped review of best practices being used in several other Ontario and Canadian municipalities with long-standing successful brownfield redevelopment programs.

Next, a review of key City, Region of Halton and Provincial policies that provide direction for brownfield redevelopment in Burlington was conducted. This included a review of:

- i) Provincial policies including the Provincial Policy Statement (PPS) and the Growth Plan for the Greater Golden Horseshoe, with particular emphasis on policies related to promoting brownfield redevelopment;
- ii) Region of Halton policies including the Regional Official Plan (ROP) and Regional Guidelines for Participation in Local Municipal CIPs and Programs; and,
- iii) City of Burlington policies including the Vision to Focus Plan, Mayor's Red Tape Red Carpet Task Force Report, the Official Plan, and relevant City environment, energy and mobility plans.

Next, an analysis of critical brownfield community improvement needs in Burlington was conducted. This included a review of information and data on potential brownfields available in the two previous City brownfield reports, and a tour of brownfield sites and employment areas by Burlington Economic Development staff and the consultant. The brownfield community improvement needs and goals identified through this process were then augmented utilizing input from the project team.

Key brownfield stakeholders (including brownfield property owners, developers with brownfield redevelopment experience, realtors, and support professionals such as environmental and other consultants) were invited to provide their input at a stakeholder workshop held on March 18, 2020. The purpose of this workshop was to identify and verify key brownfield community improvement needs and goals and discuss preliminary incentive program concepts. Based on the input from this workshop, preliminary incentive program concepts were revised and more fully developed.

These incentive program concepts were then presented to City Council in a CIP Project Update on May 12, 2020. Based on input received from City Council and the project team, the consultant then prepared a Draft Community Improvement Project Area (CIPA) and Draft Incentive Programs. These materials were presented to key stakeholders at a second stakeholder workshop held on July 16, 2020 and input was received from the key stakeholders. The consultant then finalized the CIPA and Draft Incentive Programs and prepared a Draft CIP, including a monitoring program and marketing strategy. The Draft CIP was circulated to the project team and finalized based on their comments. The Final CIP was approved by Council in principle as a policy document in March of 2021.

The result of this comprehensive methodology is the Brownfield Focus CIP contained herein. It should be noted that the preparation of this CIP follows FCM's Leadership in Brownfield Redevelopment Program (LiBRé) best practices framework.

1.5 Report Content

Section 2.0 of this CIP outlines the Provincial legislative framework for preparation of this CIP.

Section 3.0 summarizes the City, Regional and Provincial policies used to guide preparation of this CIP.

Section 4.0 summarizes the brownfield community improvement needs and presents the goals and targets for brownfield redevelopment in Burlington.

Section 5.0 presents the recommended Community Improvement Project Area (CIPA) for the CIP.

Section 6.0 outlines the recommended incentive programs designed to stimulate private sector development of brownfield sites in Burlington.

Section 7.0 contains a monitoring program to monitor the results of the incentive programs.

Section 8.0 contains a basic marketing strategy that can be used and even expanded upon by Burlington Economic Development to market the incentive programs and promote brownfield redevelopment opportunities in Burlington.

Section 9.0 contains a short conclusion to the CIP.

Section 10.0 provides a list of references cited in the CIP.

The Appendices contain supporting schedules for the CIPA and incentive programs. These Appendices do not form part of the CIP and may be changed from time to time, as required, without amendment to this Plan.

2.0 LEGISLATIVE FRAMEWORK

2.1 Municipal Act, 2001

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 giving or lending any property of the municipality, including money; guaranteeing borrowing; leasing or selling any municipal property at below fair market value; and giving a total or partial exemption from any levy, charge or fee. This prohibition is generally known as the “bonusing rule”. Section 106 (3) of the *Municipal Act, 2001* provides an exception to this bonusing rule for councils exercising powers under Subsection 28 (6), (7) or (7.2) of the *Planning Act* or under Section 365.1 of the *Municipal Act, 2001*. It is this exception under Section 28 of the *Planning Act* that allows municipalities with enabling provisions in their official plans to prepare and adopt Community Improvement Plans (CIPs). CIPs provide municipalities with a comprehensive framework for the provision of economic development incentives in areas requiring community improvement.

Section 365.1 of the *Municipal Act, 2001* operates within the framework of Section 28 of the *Planning Act*. The Council of a municipality with an approved CIP in place that contains provisions specifying tax assistance for environmental remediation costs can pass a by-law providing tax assistance to an eligible brownfield property in the form of a deferral or cancellation of part or all of the taxes levied on that property for municipal and school purposes during the rehabilitation period (maximum 18 months from the date that tax assistance begins), the development period, or both periods, as defined in Section 365.1 (1) of the *Municipal Act, 2001*. In order for the tax assistance by-law to apply to taxes for school purposes, the by-law must be approved by the Minister of Finance before it is passed.

Upon receiving a copy of the proposed by-law from the lower-tier municipality, the upper-tier municipality may, by resolution, agree that the by-law may also provide for the cancellation of all or a portion of the taxes levied for upper-tier purposes, and the by-law so agreed to by the upper-tier municipality and passed by the lower-tier municipality is binding on the upper-tier municipality. Lower tier municipalities may also apply to the Province to provide matching education property tax assistance through the Province’s Brownfields Financial Tax Incentive Program (BFTIP).

2.2 Planning Act

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” and prepare and adopt a community improvement plan for the community improvement project area. Once the community improvement plan has been adopted by the municipality and comes into effect, the municipality may exercise authority under Section 28(6), (7) or (7.2) of the *Planning Act* or Section 365.1 of the *Municipal Act, 2001* 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”. It is important to note that there are a variety of reasons that an area can be designated as an area in need of community improvement. The criteria for designation cover physical deterioration, faulty arrangement, unsuitability of buildings and any other social or community economic development reasons.

Section 28 (1) of the *Planning Act* defines “community improvement” as “the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, 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, structures, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary”. This represents a wide range of possible municipal actions.

Once a CIP has come into effect, 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, in conformity with the community improvement plan, to registered owners, assessed owners and tenants of land and buildings within the community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the eligible costs of the community improvement plan (Section 28 (7)).

Section 28 (7.1) of the *Planning Act* specifies that the eligible costs of a community improvement plan for the purposes of Subsection 28 (7) may include costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities.

Section 28 (7.3) of the *Planning Act* specifies that the total of all grants and loans made in respect of particular lands and buildings under Section 28 (7) and (7.2) 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 eligible cost of the community improvement plan with respect to those lands and buildings.

Section 28(11) of the *Planning Act* allows a municipality to register an agreement concerning a grant or loan made under subsection 28(7) or an agreement entered into under subsection 28(10) against the land to which it applies and the municipality shall be entitled to enforce the provisions thereof against any party to the agreement and, subject to the provisions of the *Registry Act* and the *Land Titles Act*, against any and all subsequent owners or tenants of the land.

Section 69 of the *Planning Act* allows municipalities to reduce or waive the amount of a fee in respect of a planning application where it feels payment is unreasonable. Municipalities can use this tool to waive all matter of planning application fees to promote community improvement without inclusion in a CIP. Alternatively, a municipality can collect fees and then provide a partial or total rebate of fees in the form of a grant, but this must be done within a CIP.

3.0 POLICY DIRECTION

This section of the report provides a summary of key Provincial, Regional, and City policies that set the policy framework and help provide direction for the programs contained in this CIP.

3.1 Provincial Policies

3.1.1 Provincial Policy Statement, 2020

The Provincial Policy Statement (the “PPS”) is issued under Section 3 of the *Planning Act* and provides direction on matters of provincial interest related to land use planning and development. Section 3 of the *Planning Act* requires that decisions affecting planning matters shall be consistent with policy statements issued under the Act.

The Province of Ontario released the latest version of the PPS in February of 2020, and the policies took effect on May 1, 2020. The PPS defines brownfield sites 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 vision for land use planning in Ontario in the PPS states that “the long-term prosperity and social well-being of Ontarians depends on planning for strong, sustainable and resilient communities for people of all ages, a clean and healthy environment, and a strong and competitive economy”. To this end, key policies in the PPS promote:

- Development and land use patterns that are efficient, minimize land consumption and servicing costs, conserve biodiversity and consider the impacts of a changing climate (Section 1.1.1);
- Accommodating an appropriate affordable and market-based range and mix of residential types, employment, institutional, recreation, park and open space, and other uses to meet long-term needs (Section 1.1.1);
- Planning authorities identifying appropriate locations and promoting 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 (Section 1.1.3.3);
- Planning authorities planning for, protecting and preserving employment areas for current and future uses (Section 1.3.2.1);
- Planning authorities protecting employment areas in proximity to major goods movement facilities and corridors for employment uses that require those locations (Section 1.3.2.6);
- Long-term prosperity through the provision of a range of housing options for a diverse workforce (Section 1.7.1 b), maintenance and enhancement of the viability and vitality of downtown and mainstreets (Section 1.7.1 d) and the redevelopment of brownfield sites (Section 1.7.1 f);
- Encouraging a sense of place by promoting well-designed built form and conserving features that help define character (Section 1.7.1 e);
- Energy conservation and minimizing the effects of climate change (Sections 1.7.1 j) and k);
- Focusing of major employment, commercial and other travel-intensive land uses on sites which are well served by transit where this exists or is to be developed, or designing these to facilitate the establishment of transit in the future (Section 1.8.1 c); and,
- Encouraging transit supportive development and intensification to improve the mix of employment and housing uses to shorten commute journeys and decrease transportation congestion (Section 1.8.1 e).

3.1.2 Growth Plan for the Greater Golden Horseshoe

The 2019 Growth Plan for the Greater Golden Horseshoe (GGH) (the “Growth Plan”) came into effect on May 16, 2019 and was amended on August 28, 2020 (Amendment 1). The Growth Plan is the Province of Ontario’s growth strategy for the GGH region, which includes the City of Burlington and the Regional Municipality of Halton. The Growth Plan provides an overall growth strategy for the region to 2051 that is implemented through municipal planning documents, primarily the Official Plan, as well as other planning documents and policies such as a Community Improvement Plan (CIP). The Growth Plan directs growth to settlement areas and prioritizes intensification with a focus on strategic growth areas, including urban growth centres and major transit station areas, as well as brownfield sites and greyfields.

A number of the policies in the Growth Plan provide direction for this CIP. More precisely, the Growth Plan seeks to build vibrant and complete communities that:

- Feature a diverse mix of land uses, including residential and employment uses;
- Prioritize intensification and higher densities to make efficient use of land and infrastructure;
- Ensure the development of high quality compact urban form;
- Mitigate and adapt to climate change impacts, improve resilience and reduce greenhouse gas emissions, and contribute to environmental sustainability;
- Integrate green infrastructure and low impact development;
- Plan Urban Growth Centres to serve as high density major employment centres;
- Ensure the availability of sufficient land, in appropriate locations, for a variety of employment to accommodate forecasted employment growth to the horizon of the Growth Plan;
- Make more efficient use of existing employment areas and vacant and underutilized employment lands and increase employment densities;
- Integrate and align land use planning and economic development goals and strategies to retain and attract investment and employment;
- Direct major office and appropriate major institutional development to urban growth centres, major transit station areas or other strategic growth areas with existing or planned frequent transit service; and,
- Preserve lands within settlement areas located adjacent to or near major goods movement facilities and corridors, including major highway interchanges, as areas for manufacturing, warehousing and logistics, and appropriate associated uses and ancillary facilities.

3.2 Regional Municipality of Halton Policies

3.2.1 Regional Official Plan (ROP)

The Regional Official Plan (ROP) is the Regional Municipality of Halton’s guiding document for land use planning. It contains the goals, objectives, and policies that manage growth and direct physical change. Section 72(8) of the ROP includes an objective for the Urban Area to promote the adaptive re-use of brownfield and greyfield sites. Section 85(13) includes an objective for housing to promote residential intensification through the development or redevelopment of brownfield and greyfield sites. Section 253.1(1) of the ROP specifically identifies brownfields as sites or areas with the potential to develop or redevelop at higher density than currently exist. The ROP policies consider the intensification and development of intensification areas as the higher priority of development within Halton and includes policies that support employment intensification.

The ROP directly identifies the use of Local Municipal CIPs to implement specific policies, including:

- Promoting and supporting intensification and development of Intensification Areas as the highest priority of urban development within the Region (Section 81(7.2));
- Promoting residential intensification, including the provision of assisted, affordable and special needs housing components through the redevelopment of brownfield and greyfield sites outside employment areas (Section 86(13.1)); and,
- Providing Assisted, Affordable and Special Needs Housing (Section 86(15)).

Sections 205.3 to 205.6 contain the Region's Community Improvement Plan policies. These policies specify that the Region may participate in a Local Municipality's CIP and make loans and grants to that Local Municipality in support of its CIP, and that Regional Council, in consultation with the affected Local Councils, will use CIPs at the appropriate time and circumstances to implement policies of the ROP.

The Region of Halton is currently undertaking a review of its Official Plan.

3.2.2 Regional Guidelines for Regional Participation in Local Municipal CIPs and Programs

The Regional Municipality of Halton has prepared a set of guidelines to aid in implementation of the ROP. One of these guidelines is the Regional Program for Community Improvement Plans (CIPs) Guidelines which was approved by the Region in September of 2016. These Guidelines assist Regional Council and staff in identifying those Local CIPs and programs that the Region may wish to participate in to implement certain ROP policies. The Guidelines also identify a process for the four Local Municipalities in Halton to follow when requesting Regional participation in their CIPs and CIP programs.

The Regional Guidelines for CIPs identify the following ROP policies as policies that could be implemented through CIPs:

1. Promoting employment area intensification on brownfields and greyfields;
2. Promoting and supporting intensification and development of intensification areas;
3. Promoting residential intensification on brownfields and greyfields;
4. Encouraging and creating assisted, affordable and special needs housing;
5. Supporting and promoting agriculture; and,
6. Protecting and preserving cultural heritage resources.

Regional participation in Local Municipal CIP programs will be based on a demonstration that the applicable Local Municipal CIP program will aid in implementing one or more of the above-noted ROP policies. Any financial grant made by Halton Region to an individual Local Municipal CIP program application must be matched by the Local Municipality.

3.3 City of Burlington Policies

3.3.1 Burlington Strategic Plan 2015-2040

Burlington's Strategic Plan 2015-2040 is a 25 year blueprint for city-building. The Strategic Plan outlines four strategic directions: A City that Grows, A City that Moves, A Healthy and Greener City, and An Engaging City. The strategic directions that are particularly relevant to the CIP are:

- *A City that Grows* that attracts talent, good jobs and economic opportunity while having achieved intensification and a balanced, targeted population growth for youth, families, newcomers and senior; and,
- *A Healthy and Greener City* as a leader in the stewardship of the environment while encouraging healthy lifestyles.

Key strategic objectives of the Burlington Strategic Plan that can be accomplished through the Brownfield Focus CIP include: population growth, targeted intensification, economic growth, mobility choices, and a healthier environment.

3.3.2 2018-2022 Burlington's Plan: From Vision to Focus

The City of Burlington created a Corporate Work Plan for the term of Council to align with the long-term vision of the City's 25-year Strategic Plan (2015-2040). The Vision to Focus Plan outlines the following five focus areas:

1. Increasing economic prosperity and community responsive city building;
2. Improving integrated city mobility;
3. Supporting sustainable infrastructure and a resilient environment;
4. Building more citizen engagement, community health and culture; and,
5. Delivering customer centric services with a focus on efficiency and technology transformation.

The first focus area holds particular relevance to the CIP, with some of the other focus areas also of relevance to the CIP.

Under the "Increasing Economic Prosperity and Community Responsive City Building", one of the top priorities is business growth and the corresponding goal is to increase options for employment opportunities across the city. Key recommended actions include:

- Implementing the recommendations of the Red Tape Red Carpet Taskforce to make it easier for businesses to locate and thrive in Burlington;
- Working with Burlington Economic Development to create and implement strategies that focus on:
 - Creating jobs and achieving the long term economic vision for the City of Burlington;
 - Reducing commercial and industrial office vacancies and reducing barriers in attracting businesses;
 - Developing attraction and retention strategies for knowledge-based/technology-intensive industries;
 - Developing and implement a Retail Strategy; and,
 - Supporting small business and tech incubators;
- Assessing the use of one or more Community Improvement Plans including options for incentive programs for business development;
- Removing constraints on availability of employment lands;
- Developing a plan to activate key parcels of vacant employment lands and facilitate vacant employment lands being shovel ready.

The associated performance targets are to increase available employment lands to 50 hectares by 2022, add 1,000 jobs per year, and add 55 new businesses per year.

The direction for the CIP established in Focus Area 1 of the Vision to Focus Plan is very clear, i.e., the CIP should focus on removing constraints to the availability of employment lands in order to increase the availability of employment lands, promote business development, and job growth.

Focus Area 2 is Improving "Integrated City Mobility" and calls to Complete the Integrated Mobility Plan with a goal of increasing the modal split by 2022 to 10% transit, 8% active transportation, and 82% auto. The infill, intensification and redevelopment generated by the Brownfield CIP will help increase active transportation and the use of transit, while decreasing automobile reliance.

Focus Area 3 calls for supporting sustainable infrastructure and a resilient environment with key actions to "Develop Burlington's Climate Action Plan, addressing Burlington's Climate Emergency declaration and focusing on reducing the community's greenhouse gas emissions". The redevelopment of brownfield sites will contribute positive environmental outcomes via the remediation of contaminated sites as well as the promotion of sustainable building practices.

3.3.3 Mayor's Red Tape Red Carpet Task Force Report

The Mayor's Office initiated a Red Tape Red Carpet Task Force in January of 2019 to identify and eliminate barriers to business growth and attraction in Burlington. Through an initial public town hall session, subsequent focus groups, an online survey, and a series of 1:1 meetings, a wealth of valuable feedback, insights and ideas were collected from hundreds of local business owners, city partners and staff. This led to the development of a list of 22 actionable recommendations which were unanimously approved by City Council on September 23, 2019. The recommendations include actions to streamline city processes and encourage business growth. One of the 22 recommendations is to "develop a Brownfield CIP for the City of Burlington with said plan to include redevelopment goals, specific targets, actions, and an implementation and monitoring strategy". The Brownfield Focus CIP implements this recommendation.

3.3.4 City of Burlington Official Plan (1997)

In 1990, the Burlington City Council declared City a "Sustainable Community" with greater emphasis placed on quality of life issues. The Burlington Official Plan, adopted in 1994, and approved by Halton Region in 1997, is based on implementing the principles of sustainable development. The policy framework of the Official Plan (Part I) stresses the implementation of principles of sustainable development by ensuring that environmental integrity and diversity, social and economic factors, and compatibility are considered in land use decisions.

Part I of the Official Plan contains a number of guiding principles that have particular relevance for the CIP. For example, Part I seeks to support a vigorous local economy and existing and new businesses by protecting critical areas of economic enterprise and promoting a variety of locations for economic activity. The Official Plan also seeks to support land use intensification and health and safety in the community. This includes ensuring that all development is undertaken in a manner that protects City residents from unacceptable social and environmental impacts. Part I of the Official Plan notes that as Burlington approaches a mature state, a significant amount of its future growth will be in the form of intensification and re-development within the existing urban boundary.

Part I of the Official Plan directs that business growth will be concentrated along the Queen Elizabeth Way, Highway 403 and Highway 407 corridors, and in the two designated mixed use centres: Downtown and Uptown. Burlington's historic Downtown is to maintain its role as the city centre. Special attention will be focused on this area to revitalize it as a traditional "people place" Downtown. This will involve encouraging retail and office development along the core streets, particularly Brant Street, basing government activities in this area, maintaining good quality housing stock, encouraging residential development, re-development and intensification in areas where appropriate.

Part II of the Official Plan contains the functional policies. This includes a policy for contaminated and potentially contaminated sites, including a Contaminated Sites Protocol. These policies and protocol help to ensure that brownfield sites are made environmentally suitable for the proposed use prior to being redeveloped, thereby providing a solid foundation for a CIP that will provide incentives to help developers of brownfield sites to properly assess and remediate/risk manage these sites.

Part II of the Official Plan also contains Community Improvement policies that permit the preparation and adoption of CIPs to stimulate private sector investment and ensure the effectiveness of public expenditures. The boundary of a Community Improvement Project Area (CIPA) may be all or part of the urban area of the City of Burlington, and/or all or part of one or more of the rural settlement areas.

There are numerous conditions identified for the designation of CIPAs in the Official Plan. These include:

- Vacant lots and underutilized properties and buildings which have potential for infill, redevelopment or expansion;
- High commercial vacancy rates;
- Known or perceived environmental contamination;
- Buildings, facades and properties, including those with heritage and/or architectural significance in need of preservation, restoration, repair, rehabilitation, energy efficiency or renewable energy improvements, or redevelopment;
- poor overall visual quality, including but not limited to, streetscapes and urban design and/or overhead wiring;
- a concentration of obsolete or aging low-density land uses, vacant lots, surface parking lots and/or abandoned buildings;
- opportunities to improve the mix of housing types; and,
- any other environmental, energy efficiency or community development reasons.

Prioritization for the designation of CIPAs and preparation of CIPs shall be given to those areas targeted for growth and intensification, and/or where the greatest number of the above-noted conditions are present, and/or where one or more of the conditions are particularly acute, and/or where one or more of the conditions exists on a number of sites in the City.

The Community Improvement Policies also indicate that the City shall be satisfied that its participation in community improvement activities will be within the financial capabilities of the City.

3.3.5 City of Burlington New Official Plan (2020)

The City of Burlington new Official Plan was adopted on April 26, 2018 and was approved by Halton Region on November 30, 2020. The new Official Plan is subject to a number of appeals to the Local Planning Appeal Tribunal (LPAT). As such, those parts of the new Official Plan under appeal are not in effect and are subject to change.

The new Official Plan sets out a clear vision and strategic priorities for sustainable development and complete communities, with a focus on housing, environment, design, sustainability, and economic activity. Key guiding principles stress the protection of employment areas and the provision of a diverse and appropriate mix and range of employment, a healthy and sustainable natural environment, and social well-being in the community. The new Official Plan directs growth to the existing Urban Centres and major transit station areas (MTSAs). The Brownfield Focus CIP will help to make brownfield sites in all of these areas developable.

Specific policies in the new Official Plan state that the City will consider the provision of financial incentives to encourage brownfield development through tools such as Community Improvement Plans (4.7.2 (k)) and the creation and application of brownfield and greyfield development strategies in Urban Centres (8.1.1(2) k)), MTSAs (8.1.2(2) h)), and Mixed Use Nodes and Intensification Corridors (8.1.3(2) c). The new Official Plan also states that the City will consider the development of a pilot Brownfield CIP to support the development of new, more intensive employment uses (5.4.1 d)iii)).

Schedule B (Urban Structure) identifies the major components of the Urban Area, including Lands Designated for Employment Uses. Policy 2.3.2 a) defines this as all lands designated for employment uses under sections 8.1 and 8.2 of the Official Plan. These lands are guided by the underlying land use designations identified on Schedule C (Land Use – Urban Area) and Schedule E (Land Use – Uptown Urban Centre). Those designations provide for the location of significant diverse areas of current and future employment activities that are required for the city's long term economic development and competitiveness, as these lands represent the principal employment generator in the city.

Section 4.7 of the new Official Plan contains policies for contaminated and potentially contaminated sites that are virtually identical to those in the 1997 Official Plan. However, the contaminated sites policy in the new Official Plan includes a policy that the City will consider the provision of financial incentives to encourage brownfield development through tools such as Community Improvement Plans.

Section 12.1.15 of the new Official Plan contains Community Improvement policies that are very similar to those in the current Official Plan, but the Community Improvement policies in the new OP also include:

- A policy that allows all or part of the City of Burlington to be designated as a Community Improvement Project Area;
- Improving the sustainability of buildings and properties as a condition for community improvement;
- Employment Growth Areas and Innovation Districts as priority areas for designation of a CIPA; and,
- Clearer direction that the City can offer incentives to encourage private sector investment that support objectives of the CIP.

3.3.6 Community Energy Plan

In 2014, the City of Burlington prepared a Community Energy Plan. This Plan identified intensification and the improvement of the energy efficiency of buildings as main goals. In April of 2019, Burlington's City Council unanimously passed a motion to declare a climate emergency. One of the City initiatives designed to address climate change is working with community stakeholders to implement a community energy plan. Energy efficiency will improve as Burlington intensifies, with reduced distance between employment and residential areas, alongside a stronger case for increased transit linkages. Burlington has an opportunity to leverage the process of urban intensification to curb the growth in energy consumption, and to proactively drive efficiencies, and the Brownfield Focus CIP can obviously play a role in this effort.

3.3.7 Local Environment Update/Action Plan

After declaring itself a Sustainable Development Community in 1990, the City of Burlington established a Sustainable Development Committee (SDC) of volunteer citizens appointed by Council. In 1994, this SDC developed Principles and Objectives for Sustainable Development to provide guidance on how to achieve sustainable development. City Council endorsed the second edition of these principles and objectives in 2017. In 1998, the SDC produced its first Environment Report and Action Plan with updates released in 2004, 2007, 2011 and 2015. The latest Local Environment Update and Action Plan was released in June of 2019. A key focus of this Local Environment Plan is addressing climate change by promoting green buildings.

3.3.8 Major Transit Station Area (MTSA) Planning

As identified in the Halton Region Official Plan, the City of Burlington has four major transit station areas (MTSAs) including Downtown, and the Aldershot, Burlington and Appleby GO Station Areas. MTSAs are focal points for the provision of transit and will exhibit a wide variety of land uses and building types, as well as densities that will be oriented to support and facilitate transit and active transportation. As Burlington grows over the next 20 years, new, complete and compact neighbourhoods will be built in the MTSAs around the city's GO stations. While the Downtown is an established area, it too will continue to develop into a more complete neighbourhood.

The City initiated work to undertake an Area Specific Planning Process for its MTSAs with mixed-use, compact, walkable, areas that encourage transit use and employ best practices in sustainable development. During consultations for the area specific planning process (previously referred to as the Mobility Hub Study), municipal financial incentives for brownfield development emerged as a key factor in engaging developers to create sustainable mixed-use areas to accommodate future workforces with easy access to transit. Without incentives offered through a Brownfield Focus CIP, brownfields in the MTSAs are likely to see slower redevelopment and/or pressures for non-employment uses and specifically residential redevelopment due to the costs of site assessment and remediation, coupled with high land costs. Therefore, it is important that incentive programs promote brownfield redevelopment for employment uses in the MTSAs.

3.3.9 Integrated Mobility Plan

Work on Burlington's Integrated Mobility Plan is currently underway. Growth in Burlington will take place within the existing urban area through infill and intensification. Therefore, Burlington's Integrated Mobility Plan is focused on aligning land use with transportation, reducing auto-dependency, and expanding mobility by investing in pedestrian, cycling and transit options instead of building new roadways. The Brownfield

Focus CIP will help to ensure that brownfield redevelopment within the urban area is feasible, appropriately located, sustainable, and helps support an enhanced mobility network.

3.3.10 Summary of Policy Direction

In summary, the proposed Brownfield CIP is comprehensively linked to key City plans and policies. The preparation and implementation of the Brownfield CIP is directly recommended in several of these plans and policies, and will help achieve the major goals of these plans and policies. The aforementioned City plans and policies also emphasize a sustainable approach to the Brownfield CIP that focuses on the CIP achieving environmental, social and economic objectives.

Both the 1997 Official Plan and the new Official Plan seek to support a vigorous local economy and existing and new businesses by protecting critical areas of economic enterprise (employment) and promoting a variety of locations for economic activity. The Official Plans also seeks to support land use intensification and health and safety in the community. This includes ensuring that all development is undertaken in a manner that protects City residents from unacceptable social and environmental impacts. The brownfield redevelopment can help to accomplish all of these Official Plan goals.

Based on the policy direction outlined in a number of the City's guiding policies and plans including the Vision to Focus Plan, the Official Plan and the Local Environment Update/Action Plan, the Burlington Brownfield Focus CIP will employ a balanced sustainable approach that integrates the environmental, social, and economic objectives contained in other City plans and policies. The community improvement goals specified in this CIP have been drawn from the aforementioned City policies and plans, but also shaped via consultation with the Project Team, key brownfield stakeholders, the public and City Council.

The primary focus of this Brownfield Focus CIP is to promote brownfield redevelopment for employment uses on lands designated for employment, as well as brownfield redevelopment for employment uses in other priority geographic areas such as urban centres, MTSA's, and mixed use nodes and intensification corridors. Also, the incentive programs developed for inclusion in the CIP consider not only the promotion of brownfield redevelopment for employment uses, but also employment intensification and the promotion of a number of sustainable development/quality of life principles profiled in the City's other key plans and policies. These include employment growth, assessment value growth, and sustainable, energy efficient green site and building design. The approach to promoting brownfield redevelopment in Burlington will focus not only on generating brownfield redevelopment for employment uses, but the quality and sustainability of that brownfield redevelopment.

4.0 COMMUNITY IMPROVEMENT NEEDS, GOALS AND TARGETS

4.1 Methodology

An analysis was conducted to identify key brownfield community improvement needs and other key community improvement needs in Burlington. This analysis included:

- Review of key Municipal, Regional and Provincial policies to identify a policy direction for the CIP;
- Review of information on potential brownfield sites in Burlington contained in the 2009 Brownfield Variables and Options Report;
- Review of the impediments, goals, and recommendations contained in the 2010 Brownfield Remediation Assistance Program Report;
- A tour with Burlington Economic Development staff of employment areas containing potential brownfield sites;
- An additional tour of the employment areas and the City's Urban Centres and MTSAs;
- Input received from stakeholder workshops held on March 18, 2020 and July 16, 2020; and,
- Input received from the CIP Project Team (that includes Burlington Economic Development and City staff), throughout preparation of the CIP.

Based on the above-noted methodology, this section of the report provides a summary analysis of the critical brownfield and other community improvement needs in Burlington, and the goals and targets for brownfield redevelopment in Burlington.

4.2 Brownfield Redevelopment

4.2.1 Community Improvement Needs

The identification of the need for brownfield redevelopment in the City of Burlington has its genesis in two reports prepared by MMM Group and MKI for the Burlington Economic Development Corporation (now Burlington Economic Development) in 2009 and 2010. The first report prepared in 2009 was a Variables and Options Report which collected and analyzed data on potential brownfield sites in Burlington. The second report prepared in 2010 was a Recommended Brownfield Remediation Assistance Program that contained a number of incentive programs and municipal leadership actions that the City could use to promote brownfield redevelopment.

The first report utilized several databases (e.g., spill records, storage tanks, hazardous waste generators) to identify properties in Burlington with a risk of contamination, and then used this data to assign a score to each particular property with a higher score representing a higher potential for the presence of contaminants. While the City of Burlington does not have the lengthy and extensive industrial history of some Canadian municipalities, this report identified 294 properties within the city that are potentially contaminated due to historical, industrial or commercial land use practices, with 192 (65%) of these properties having a moderate risk of contamination, and 102 (35%) of these properties having a high risk of contamination⁹. The 2009 Report states that the 294 properties include a full range of industrial and commercial uses, from large manufacturing facilities to transportation companies to gas stations and dry cleaners to institutional facilities such as large schools and hospitals.

⁹ Note: The City of Burlington does not have this list of sites publicly available.

The 2009 report also notes that typically 10% to 30% of properties listed in such preliminary databases would actually be contaminated. Therefore, the study estimated the number of brownfield sites in Burlington would be expected to be in the order of 30 to 90. But, this number of brownfield sites would be expected to change in response to economic conditions, changes in industrial and commercial operations, and changes to environmental standards (soil and groundwater).

The 294 properties total 1,062 ha., but excluding properties within the Niagara Escarpment Plan Area (very limited development) reduces this figure to 615 ha. Of this 615 ha., 131 sites (197.6 ha.) are located in areas zoned for general employment, 23 sites (54.3 ha.) are located in areas zoned for commercial use, 42 sites (31.6 ha.) are in areas zoned for mixed use, and 7 sites (1.3 ha) are in the downtown mixed use centre.

A tour of employment areas in Burlington with Burlington Economic Development staff was conducted on September 16, 2019. The consultant conducted a subsequent follow up tour of the employment areas, and also a tour of the MTSA's and urban centres. These tours provided valuable information regarding the characteristics and community improvement needs associated with potential brownfield sites in the employment areas, and other areas/lands in need of community improvement within the urban area.

Most potential brownfield sites in Burlington, and in particular the larger and more prominent sites, are located on lands designated Business Corridor and General Employment along the Queen Elizabeth Way, Highway 403, Highway 407 and Canadian National Railway corridors. Generally, the most prevalent industrial activities relate to manufacturing, warehousing and wholesale trade, however no single industry dominates. A number of potential brownfield sites are also located in other areas such as urban centres, MTSA's, and mixed use nodes and intensification corridors.

A few of the potential brownfield properties are large properties (4+ ha.) with large vacant and/or underutilized/obsolete industrial buildings. Other potential brownfields are smaller properties with older single storey industrial/commercial buildings. In addition to being potential brownfield sites, a number of these buildings/sites are characterized by older, deteriorated, and functionally obsolete buildings which may either require substantial upgrading to facilitate continued viable use or adaptive reuse, or partial or complete demolition to facilitate redevelopment. In addition to potential soil/groundwater contamination on these potential brownfield sites, the buildings and structures on these sites may also contain designated substances and hazardous materials such as asbestos or polychlorinated biphenyls (PCBs).

The 2009 report also notes that a vast majority of potential brownfield sites presently accommodate existing industrial, office and commercial facilities. This indicates that a primary focus of any municipally-led Brownfield CIP program should be on encouraging redevelopment of and intensification of these sites for employment uses.

The 2009 report cited a number of reasons to better utilize these potential brownfield sites, including:

- Municipal, Regional and Provincial policy direction for more brownfield redevelopment. The report notes that the impetus for this policy direction is multi-faceted and includes environmental benefits as well as cost-efficiency of infrastructure and achievement of intensification and employment targets;
- The location of these sites in areas with excellent access to transportation (Provincial highways, railways, and Go Transit) resulting in considerable demand for employment land in these areas;
- An anticipated shortfall in shovel ready employment lands in Burlington over the planning horizon to 2031 with the 197.6 ha. of potential brownfield land occupied by properties currently zoned for employment

uses representing a significant opportunity to accommodate future employment growth and to ensure that the City retains and enhances its economic competitiveness; and,

- Numerous other community benefits such as improvements to the natural environment, increased property values, and long-term increases in property tax revenues.

As of the end of 2018, Burlington Economic Development identified 341 ha. of vacant employment land in the City of Burlington, but much of this land has servicing and other development constraints. Burlington's ability to attract and retain companies has been negatively impacted by its potential brownfield sites. The potential brownfield status of these sites is a barrier to the full consideration and utilization of these sites by expanding businesses and new businesses. Brownfield sites also reduce potential property tax revenues for the City, and negatively impact the City's goals to achieve the employment and intensification targets outlined in its Official Plan.

The city's economy is broadly mixed but retains a notable manufacturing base. Burlington has a high demand for shovel ready employment sites, showcased by persistently low Industrial vacancy rates. However, Burlington has the smallest supply of vacant employment land in Halton¹⁰. Therefore, the City needs a supply of unencumbered shovel ready employment sites to ensure it remains economically competitive, vibrant and offers a complete community where people can both live and work. Many of the available employment sites in Burlington are also fragmented and therefore require land assembly and coordination strategies, which is made much more difficult when these sites are also potential brownfields.

Examination of Record of Site Condition (RSC) filings for the period 2005 to 2018 reveals a concerning trend. Four industrially used properties totalling 6.1 ha. changed from industrial to residential or community use, and two industrially used properties totalling 13.8 ha. changed from industrial to commercial use. Most of the 6.1 ha. that changed from industrial to residential use took place in the last few years. In total, some 20 ha. of industrial land changed to non-employment uses where an RSC was filed. This does not take into account industrial properties that changed to commercial use without filing an RSC, as an RSC is not required by law when changing from industrial to commercial use. It also does not take into account some three dozen commercial properties totalling almost 16 ha. along the urban corridor that changed from commercial use (that could host some employment) to residential use. This trend of lands used for employment uses changing to non-employment uses is of concern, and could potentially further reduce Burlington's supply of available shovel ready employment sites over time.

The 2009 report also contains a cost comparison of brownfield versus greenfield development. This cost comparison found that a typical 75,000 sq.ft. industrial building on a brownfield site has total development costs that are between 6% and 10% higher per sq.ft. than the same industrial building on a greenfield site, and a typical 30,000 sq.ft. 3 storey office building on a brownfield site has total development costs that are 1.5% to 3% higher per sq.ft. than the same building on a greenfield site. Environmental site assessment (ESA) and remediation costs can account for between 5% and 9% of total development costs in a typical industrial development scenario and 2.5% to 5% of total development costs in a typical office development scenario. This is significant and clearly demonstrates the cost disadvantage of a brownfield site, particularly for one that will be redeveloped for industrial use.

As noted in Section 3.0 of this CIP, the policy direction supporting brownfield redevelopment at the City, Regional and Provincial levels of government and awareness around the environmental, economic and

¹⁰ Regional Municipality of Halton, Halton Competitiveness Study, Watson & Associates, 2016.

social benefits of brownfield redevelopment has significantly intensified in the last several years. It is clear from the City's various policies and plans outlined in Section 3.0 that this Brownfield Focus CIP will form a key part of the City's comprehensive systems approach to intensification and sustainable development

The second phase of the MMM Group study in 2010 found that in order to promote opportunities for employment growth, attract investment, and grow the City's tax base, there is a need to make the City's brownfield remediation and redevelopment opportunities attractive and feasible to potential developers and prospective buyers. The 2010 report notes that without incentives to stimulate future investment in known and potential brownfield sites, the City will likely face a long-term risk to its employment lands base as pressure to change lands to other uses will grow. And, in fact, since 2010, this pressure for changing to non-employment uses seems to have intensified in Burlington.

In addition to the financial challenges to brownfield redevelopment, the 2010 report identified a number of other key challenges to brownfield redevelopment, including the risks and uncertainty associated with brownfield redevelopment, liability issues, regulatory hurdles, the timeframe for remediation, property taxation on brownfield sites, and the timing and process of planning approvals. Based on the policies and impediments to brownfield redevelopment at the time, the 2010 report identified the following goals for the City's Brownfield Remediation Assistance Program:

- Protect the City's employment lands base and remain competitive by acknowledging brownfield redevelopment as a critical economic development challenge;
- Make the remediation of brownfield sites more feasible to the private sector by providing appropriate incentives to land and building owners;
- Stimulate new employment growth and minimize pressure to change brownfield sites to non-employment uses by making the redevelopment of brownfield sites to employment uses more attractive to private land and building owners;
- Realize community health and safety benefits, and enhance the quality of living and working environments within the City as a result of the remediation of brownfield properties;
- Improve and restore the City's natural environment as a result of the remediation of brownfield sites;
- Improve the physical environment and visual qualities of brownfield sites and priority areas; and,
- Improve the tax assessment base and increase tax and other revenues for the City and the Province of Ontario.

Based on the review of Municipal, Regional and Provincial policies contained in Section 3.0 of this report, and the current characteristics of potential brownfields and need for brownfield redevelopment in Burlington, all of these goals are still highly relevant.

The 2010 report then identified a number of potential incentive programs and municipal leadership activities that could be included in a CIP designed to promote brownfield redevelopment. However, as the result of other priorities and a lack of awareness and urgency around brownfields at the time, the incentive programs and municipal leadership actions in the 2010 study were never fully developed, and its recommendations were not implemented, i.e., a Brownfield CIP was never prepared and adopted.

The efforts to develop and implement a Brownfield CIP were renewed beginning in 2016 with an internal report by Burlington Economic Development. The report examined brownfield remediation programs in other municipalities and looked at potential CIP tools. As a result of the need for shovel ready employment sites in Burlington and the City's increasing focus on sustainable forms of development and climate change, this was

followed in 2018 and 2019 with further work by Burlington Economic Development to promote the preparation of a Brownfield CIP on behalf of the City of Burlington.

In summary, based on the methodology described in Section 4.1, the following key brownfield community improvement needs and priorities were identified:

- Financial assistance for environmental studies, remedial work plans, and risk assessments;
- Financial assistance for remediation and risk management measures;
- Financial assistance for non-environmental costs associated with brownfield sites such as the costs of building demolition/ renovation/upgrading including the costs of designated substances and hazardous materials abatement/removal, and on-site infrastructure upgrading;
- High priority should be given to brownfield redevelopment projects that generate more employment. This would obviously include brownfield redevelopment projects on lands designated for employment, but should also include brownfield redevelopment projects that generate employment in other areas such as the MTSAs, urban centres, and mixed use nodes and intensification corridors; and,
- Incentive programs should also promote employment intensification and environmentally sustainable buildings/development.

4.2.2 Goals

Based on the methodology described in Section 4.1 above, the following goals below were identified as the goals of the Brownfield Focus CIP.

The primary goal of the Brownfield Focus CIP is to stimulate brownfield redevelopment for purposes of generating employment intensification and employment growth in Burlington.

Additional goals for this CIP include:

- Protect the City's existing employment area for long-term employment uses;
- Make the redevelopment of brownfield sites for employment uses more attractive to private land and building owners;
- Expand the tax assessment base and increase long-term property tax revenues for the City of Burlington, Regional Municipality of Halton, and Province of Ontario;
- Attract and retain more knowledge based/technology intensive industries;
- Make more efficient use of existing public infrastructure and services;
- Improve the quality and comprehensiveness of environmental studies done on potential brownfield sites;
- Improve and restore the City's natural environment as a result of the remediation of brownfield sites including improvements to land, water, air quality and wildlife habitat;
- Ensure that remediated and risk assessed brownfield sites are environmentally suitable for the proposed use(s);
- Improve the physical environment and visual qualities of brownfield sites;
- Reduce the environmental impact of brownfield redevelopment by promoting the design and construction of environmentally sustainable buildings and sites;
- Enhance the quality of living and working environments within the City as a result of the remediation of brownfield properties;
- Promote development of sustainable mixed use and employment within the MTSAs that encourage transit use;

- Reduce commuting through intensification of existing employment areas and a concomitant reduction in greenhouse gas emissions;
- Strategically utilize public sector investment to leverage significant private sector investment in brownfield remediation, adaptive re-use, and redevelopment; and,
- Ensure that the City's participation in this CIP, including the offering of incentive programs, is within the financial capabilities of the City.

4.2.3 Targets

Burlington's Vision to Focus Plan outlines a number of long-term performance targets for increasing economic prosperity and community responsive growth. These include:

- Increasing available shovel ready employment lands to 50 ha. by 2022;
- Increasing employment by 1,000 jobs annually;
- Adding 55 new businesses annually;
- Adding 100,000 sq.ft. to the industrial land supply annually;
- Improving the ratio of knowledge-based technology intensive business to manufacturing business by 1.06 by 2023; and,
- Increasing by 23% residents working and living in Burlington by 2025.

As noted in the 2009 Brownfield Variables and Options Report, the uptake of brownfield incentive programs in Burlington will depend on a number of factors, including economic conditions, local land market conditions, attractiveness of the incentive programs implemented by the City, and how effectively these programs are marketed. Furthermore, while a total of almost 300 potential brownfield sites were identified in Burlington, the 2009 report indicated that a much smaller number, between 30 and 90 of these properties, would actually be expected to be brownfields.

Based on experience in other municipalities with long-standing brownfield incentive programs, there is usually a time lag between introduction of the incentive programs and uptake of the programs, particularly for tax increment grant (TIG) based programs as these first require that Phase I and Phase II ESAs be completed on a site in order to ascertain estimated eligible environmental remediation costs. Furthermore, the TIG is not actually paid out by the municipality until a TIG approved brownfield redevelopment project has been completed, reassessed by MPAC, and property taxes have been collected for at least the first year. As such, payment of an approved TIG may not actually commence until a few years after the TIG application was submitted, processed, and approved.

Consequently, even assuming a robust economic environment in Southern Ontario and Burlington on a go forward basis for the next few years, the uptake of the brownfield incentive programs, and in particular the TIG Program, will be modest. The City can expect a few (2 to 4 or 5) environmental study grant applications per year after the environmental study grant is implemented. TIG applications will likely not materialize until at least one year after implementation of a TIG program, and will then likely average 1 to 2 applications for the first year, increasing to 2 to 3 applications by the fourth year of implementation.

4.3 Other Community Improvement Needs

This Brownfield Focus CIP is designed to address the key brownfield redevelopment community improvement needs by achieving a number of environmental, social and economic goals and objectives. The key policy review and input from the key stakeholders, CIP Project Team, and public identified a number of other community improvement need areas where one or more CIPs could be developed by the City as part of a comprehensive CIP strategy to further advance the City's key policy objectives. These other key community improvement need areas are outlined below.

4.3.1 Housing – Affordable, Assisted and Special Needs

Chapter 3 of the City's new Official Plan supports the promotion of a full range of housing, including affordable housing and assisted and special needs housing in order to help achieve the City's Complete Communities policies. Policy 3.1.1(2) f) states that the City will identify brownfield, greyfield and bluefield sites outside employment areas and work toward encouraging their availability where appropriate, for development for housing purposes, including a component of affordable housing and/or assisted and special needs housing. Such sites or lands may be declared as Community Improvement Project Areas to facilitate their development.

Policy 3.1.1(2) g) states the City will develop a city-wide housing strategy that will support the Region of Halton's Housing Strategy. This policy also indicates that this city-wide Housing Strategy will consider financial incentives including a CIP as well as other incentives and actions to facilitate the provision of affordable housing and/or assisted and special needs housing. The City of Burlington aims to offer a variety of housing options, including affordable, assisted, and special needs housing. To this end, the City of Burlington may support developers through a CIP in acquiring and preparing land, constructing and rehabilitating existing buildings and making grants and loans available for land owners and developers to build affordable, assisted, and special needs housing. Potential incentives to promote affordable, assisted and special needs housing include tax increment grants, and planning and building fee grants.

While an incentive for affordable housing on brownfield sites was in fact considered for inclusion in the Brownfield Focus CIP, it was determined that all incentive programs to promote affordable housing should be comprehensively explored through the City-wide Housing Strategy. Once this Strategy is complete, the Brownfield Focus CIP could be amended to include an incentive for affordable, assisted and special needs housing on brownfield sites, and/or an incentive for affordable, assisted and special needs housing on brownfield sites can be included within a Housing CIP or a Comprehensive CIP.

4.3.2 Continued Downtown Improvement and Business Attraction

As one of the City's two existing Urban Centres, the Downtown Urban Centre will continue to develop as the city's centre, taking advantage of the unique qualities that set it apart from all other areas of the city and that contribute to its distinct identity. As noted in the City's new Official Plan, these qualities include distinct precinct areas, the waterfront location and related activities, historic buildings, streetscapes and development pattern, views and vistas, cultural activities, pedestrian orientation, and recognition of the Downtown as a centre of business and civic activity. Therefore, it is important that the City promote the conservation of built cultural heritage resources, the improvement of buildings and building facades, and new development that achieves urban design and architectural excellence in its Downtown.

The tour of the City's Urban Centres conducted for this study, did identify some areas of community improvement need in the Downtown in relation to these objectives. Incentive programs focused on the Downtown, such as building and façade improvement grants and loans may have a role to play in helping the City achieve these and other general objectives for the Downtown Urban Centre as specified in Section 8.1.1(3) of the new Official Plan. Consulting with the Downtown BIA on said incentive programs and combining and coordinating the current and future efforts of the Downtown BIA with those of the City will also be very important to attracting new businesses and development to the Downtown.

4.3.3 Commercial Office Attraction/Improvement/Revitalization/Development

One of the key recommended actions in the Vision to Focus Plan for increasing employment opportunities across the City is to create and implement strategies for reducing commercial and industrial office vacancies and attracting and retaining knowledge based and technology intensive industries. In fact, the Vision to Focus Plan specifically references the use of one or more CIPs including incentive programs for business development as a strategy to help achieve this business and employment growth goal. Commercial office uses can be accommodated in any of the eight strategic development areas found throughout the city, including the highway corridors, Downtown and Uptown Urban Centres, Mixed Use Nodes and Intensification Corridors and the MTSA's.

4.3.4 Employment

To increase Burlington's economic prosperity, it is vital to encourage new employers to move to the city and current employers to remain and expand. Incentives can help support this process. Burlington's lands designated for employment uses have great potential to be further developed for efficient and productive employment uses. Incentives such as tax increment grants targeted to employment development projects that produce significant investment, job creation, and environmentally sustainable buildings and developments can play a key role in attracting innovative industry sector leading companies to Burlington.

4.3.5 Sustainability in Major Transit Station Areas (MTSAs)

Major Transit Station Areas (MTSAs) are generally defined as areas within an approximate 500m to 800 m radius (about a 10 minute walk) of a transit station. In Burlington these areas include Downtown Burlington and the areas around Burlington GO, Aldershot GO and the Appleby GO Stations. In addition to lands designated for employment uses and the Urban Centres, MTSA's represent key opportunities to accommodate significant employment close to existing neighbourhoods in the city.

Moreover, the new Official Plan focuses on encouraging employment growth in the City's MTSA's in order to contribute to the development of these areas as vibrant, diverse, mixed use and transit supportive areas (5.1.2(c)). The new Official Plan stresses that MTSA's be compact, pedestrian friendly and environmentally sustainable (8.1.2(1)). Also, the Official Plan aims to achieve design excellence and the creation of high quality and sustainable built forms in MTSA's (8.1.2(1)). The use of customized incentive programs to help achieve these objectives in the MTSA's may form part of the City's future comprehensive CIP strategy. Policy 7.4.1e) of the new Official Plan also indicates that the City will consider the provision of financial incentives including a CIP to encourage implementation of the voluntary components of the City's Sustainable Building and Development Guidelines.

4.3.6 Rural Economic Development

While potential brownfield properties within the Rural Planning Area do not represent significant redevelopment/intensification opportunities as compared to brownfield properties within the Urban Area, the new Official Plan identifies the Rural Planning Area as a priority area for the designation of Community Improvement Project Areas and the preparation and adoption of CIPs. Official Plan Policy 5.5.2a) states that the City will consider providing incentives and other forms of assistance to support the development of agricultural, agriculture-related and on-farm diversified businesses through the preparation, adoption and implementation of a CIP. These incentives could help agricultural operations to adapt to economic and technological change and to adopt innovative new agricultural practices (Official Plan Policy 9.2.1a) (vii)) while also boosting rural employment. Such a CIP could help promote agriculture-related uses and on-farm diversified uses that are compatible with agriculture and support the development of a more diverse, innovative and economically strong agricultural industry in the city (Policies 9.2.1a) (vi) and (viii)). Diversifying revenue streams also better positions the agricultural industry to adapt to the impacts of a changing climate, thereby increasing the overall resiliency of the sector.

It is also important to consider the future development of City-led programs to support Burlington's agricultural sector, given that the city may not meet eligibility requirements of some Provincial rural economic development programs. This is a result of Burlington's unique rural/urban context and the fact that "rural" municipalities are often defined by overall population, as well as the types of servicing available.

5.0 COMMUNITY IMPROVEMENT PROJECT AREA

The prevailing trend in municipalities who have more recently prepared 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.

As noted in the 2010 MMM Group Report, most of the potential brownfield sites in Burlington are located within the City's Urban Planning Area (Urban Boundary). More specifically, most of these sites are located on lands designated for employment uses along the Queen Elizabeth Way, Highway 403, Highway 407 and Canadian National Railway corridors. The 2010 MMM Report argues that sites within this corridor are strategically located for employment uses or intensification, and should therefore be prioritized within a CIP in order to achieve municipal economic development goals. However, there are also a few potential brownfield sites found outside these corridors due to the historical widespread location of uses such as gasoline stations and the diverse historical land use patterns and range of industrial and commercial businesses in Burlington.

The 2010 MMM Group Report notes that a smaller number of potential brownfield sites are located outside the Urban Planning Area within the City of Burlington's Rural Planning Area Boundary. The report notes that since potential brownfield properties within the Rural Planning Area Boundary do not represent significant redevelopment/intensification opportunities, the Rural Planning Area need not be a significant priority area for the purposes of a CIP. Even if the incentives for brownfield redevelopment within this CIP were to be made available in the Rural Planning Area, it is not clear that there would be much uptake because the City's land use policies in the Rural Planning Area restrict any type of significant industrial or employment development, and the policy framework in the 1997 Official Plan only allows Rural Settlement Areas to be designated as community improvement project areas and not the Rural Area in general.

Therefore, it is recommended that the Community Improvement Project Area (CIPA) for this CIP be properly defined and designated as "all land within the Urban Boundary of the City of Burlington, as amended from time to time". The CIPA is designated by a by-law passed by Council and the Brownfield Focus CIP will apply to the designated CIPA.

Based on the direction provided by City, Regional and Provincial policies, the community improvement needs analysis, and the goals of this CIP, it was determined that the promotion of brownfield redevelopment within the designated CIPA be only for employment uses¹¹, and be prioritized in certain geographic areas within the CIPA. This prioritization of certain geographic areas within the CIPA is shown in the map contained in **Appendix A** and reflected in the incentive programs contained in the next section.

¹¹ See Appendix B for a list of eligible employment uses.

6.0 INCENTIVE PROGRAMS

6.1 Approach

The incentive programs summarized in **Figure 1** below and described in detail in Section 6.0 were developed using input from the best practices review, policy review, key stakeholder workshops, and the project team. The incentive programs are collectively designed to address the community improvement needs for brownfield redevelopment in Burlington so that the brownfield redevelopment goals of this CIP can be achieved over time. The financial incentive programs in this CIP are directed at the private sector and are designed to encourage private sector environmental assessment, remediation/risk management, adaptive reuse, and construction activity on brownfield sites.

Figure 1 Summary of Incentive Programs

Program Name	Program Description
Environmental Study Grant (ESG) Program	- Grant equal to 50% of the cost of eligible environmental studies to a maximum: a) grant of \$3,000 for a Phase I ESA; b) grant of \$20,000 for any other eligible environmental study; c) of two (2) studies per property/project and \$30,000 grant per property/project.
Tax Assistance Program (TAP)	- Cancellation of City property taxes, Halton Region property taxes* (as applicable), and education property taxes** for up to 3 years. * Cancellation of Regional property taxes (if applicable) is subject to approval by Regional Council ** Cancellation of Education property taxes is subject to approval by the Minister of Finance.
Tax Increment Grant (TIG) Program	- Annual grant equal to a percentage (%) of the municipal property tax increase generated by the project for up to 12 years after project completion. The percentage and duration of the annual grant payments is dependent on the priority area location of the project and whether or not the project achieves certain employment densities and demonstrates environmental sustainability. (see Figure 2 in Section 6.5.2).
Remediation Loan Program (RLP)	- Low interest loan to a maximum of \$400,000 for eligible remediation expenses with the loan repaid through the approved TIG.
Fees Grant Program (FGP)	- A grant equal to the costs of planning application fees and demolition/building permit fees to a maximum grant of \$20,000. The FGP applies only to properties approved for the TIG Program.

Once this CIP is adopted and approved, the incentive programs contained in the CIP can be activated by Council, one or more at a time, based on Council approval of the implementation of each program. This CIP is an enabling document, however Council is under no obligation to activate and implement any of the incentive programs contained in this CIP. Once activated, the programs in this CIP can be used individually or together by an applicant, but the total of all grants, loans and tax assistance provided in respect of the particular property for which an applicant is making application under the programs contained in this CIP and any other applicable CIPs shall not exceed the eligible cost of the improvements made to that particular property under all applicable CIPs. The City/Burlington Economic Development may accept applications all year round for any of the incentive programs contained in the CIP, or the City/Burlington Economic Development may periodically issue a Request for Applications (RFA) for any of the incentive programs

contained in the CIP, e.g., once or twice per year, depending on budget considerations and program interest.

This CIP includes general program requirements (Section 6.2) that apply to all the incentive programs contained in the CIP and program specific requirements to help ensure that the goals contained in this CIP will be achieved while protecting the financial interests of the City. Furthermore, once the CIP has been adopted and approved, Council can set the maximum grant available for each program at or below the maximum specified for that program in the CIP, depending on budget considerations at the time.

6.2 General Program Requirements

All of the financial incentive programs contained in this CIP are subject to the general requirements listed below and the individual requirements specified under each program. The general and program specific requirements contained in this CIP are not necessarily exhaustive, and the City/Burlington Economic Development reserves the right to include other requirements and conditions as deemed necessary on a program and/or property specific basis.

- a) Application for any of the incentive programs contained in this CIP can be made **only** for properties within the Community Improvement Project Area (CIPA) where the proposed/as-built project includes one or more employment uses as approved by the City listed in **Appendix B**. The proposed project can be on lands designated for employment or on other lands within the Community Improvement Project Area, but the proposed project must include one or more employment uses approved by the City as listed in Appendix B. Proposed projects that do not include at least one employment use as approved by the City are not eligible to apply for any of the incentive programs contained in this CIP;
- b) With the exception of the Environmental Study Grant Program, where an application for any of the incentive programs contained in this CIP is made for a “mixed use development”, i.e., where part of the development includes one or more employment uses as approved by the City listed in Appendix B, and part does not, the value of the tax assistance, grant, or loan to be provided will be based **only** on the portion of the development that is used for employment uses as approved by the City listed in Appendix B;
- c) Application for the incentive programs contained in this CIP cannot be made on a retroactive basis. This has two meanings. First, the City/Burlington Economic Development will accept applications for the financial incentive programs contained in this CIP only after this CIP has been formally adopted by City Council and approved. Second, and as reinforced in the Program Requirements, this also means that an application for any financial incentive program contained in this CIP must be submitted to, and fully approved by the City, prior to the commencement of the eligible studies or eligible works that are the subject of the application;
- d) For the purposes of making application for any of the incentive programs in the CIP (except for the Environmental Study Grant Program), an eligible property is a property where a Phase II Environmental Site Assessment has been conducted in accordance with Ontario Regulation (O. Reg.) 153/04, and that as of the date the Phase II Environmental Site Assessment 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 for the proposed use of the property;

- e) All environmental site assessments and risk assessments referenced in the incentive programs contained in this CIP and submitted in support of, or as a requirement of, the incentive programs contained in this CIP must be prepared in accordance with Ontario Regulation (O. Reg. 153/04)¹².
- f) With the exception of the Environmental Study Grant Program, the applicant must be the owner of the property;
- g) For the Environmental Study Grant Program, if the applicant is not the owner of the property, the applicant must provide written consent (in the form of a standard acknowledgment letter acceptable to the City/Burlington Economic Development) from the owner of the property to make the application and receive the grant (the property owner assigns the grant to the assignee);
- h) An application for any financial incentive program contained in this CIP must be accompanied by plans, estimates, contracts, reports and other details requested by the City/Burlington Economic Development for purposes of satisfying the City/Burlington Economic Development with respect to costs, design, performance, and conformity of the project with the CIP;
- i) Plans/reports submitted in support of the financial incentive programs contained in this CIP will address the protection and preservation of cultural heritage resources, if applicable.
- j) Review and evaluation of an application and supporting materials against program eligibility requirements will be done by staff who will then make a recommendation to Council or Council's designate;
- k) All applications are subject to approval by City Council or Council's designate. Should Council's designate decide not to approve the application, the applicant has the right to appeal that decision to Council;
- l) As a condition of application approval, the applicant will be required to enter into an Agreement with the City for the TAP, TIG Program, and the RLP. This Agreement will specify the terms, duration and default provisions of the incentive to be provided. This Agreement is also subject to approval by Council or Council's designate;
- m) Each program in this CIP is considered active if Council has approved implementation of the program and Council has approved a budget allocation (as applicable) for the program;
- n) The Provincial and Federal governments, Crown Corporations and the Regional Municipality of Halton are not eligible to apply for any of the incentive programs contained in this CIP;
- o) Where other sources of government and/or non-profit organization funding (Federal, Provincial, Municipal, Canada Mortgage and Housing Corporation, Federation of Canadian Municipalities, etc...) that can be applied against the eligible costs are anticipated or have been secured, these must be declared as part of the application, and accordingly, the grant from the City may be reduced on a pro-rated basis;

¹² Wherever O. Reg 153/04 is referenced in this CIP, this is understood to mean the current O. Reg 153/04 as of the date of this CIP, and in future, any regulation(s) that replace O. Reg 153/04.

- p) Polluting owners who knowingly polluted their properties will not generally be permitted to make direct application for any of the incentive programs contained in this CIP. However, City Council 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) Eligible applicants can apply for one, more or all of the incentive programs contained in this CIP, but no two programs may be used to pay for the same eligible cost;
- r) The total of all grants, loans and tax assistance provided in respect of the particular property for which an applicant is making application under the programs contained in this CIP and any other applicable CIPs shall not exceed the eligible cost of the improvements to that particular property under all applicable CIPs.
- s) The City/Burlington Economic Development reserves the right to audit the cost of environmental studies, environmental remediation works, and building rehabilitation, construction, and any other works that have been approved under any of the financial incentive programs, at the expense of the applicant;
- t) The City/Burlington Economic Development is not responsible for any costs incurred by an applicant in relation to any of the programs, including without limitation, costs incurred in anticipation of a grant, loan, and/or tax assistance;
- u) If the applicant is in default of any of the general or program specific requirements, e.g., the applicant has not paid property taxes, or any other requirements of the City/Burlington Economic Development, the City may delay, reduce or cancel the approved grant and/or tax assistance, and require repayment of the approved grant and/or tax assistance;
- v) The City may discontinue any of the programs contained in this CIP at any time, but applicants with approved grants, loans, and/or tax assistance will still receive said grant, loans, and/or tax assistance, subject to meeting the general and program specific requirements and the requirements of any grant/loan/tax assistance agreement entered into with the City;
- w) All proposed works approved under the financial incentive programs and associated improvements to buildings and/or land must conform to all provincial laws, municipal by-laws, policies, procedures, and standards;
- x) All works completed must comply with the description of the works as provided in the application form and contained in the program agreement, with any amendments as approved at the discretion of the City/Burlington Economic Development;
- y) Existing and proposed land uses must be in conformity with applicable Official Plan(s), Zoning By-law and other planning requirements and approvals at both the local and regional level;
- z) All 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 and all applicable zoning requirements and planning approvals;

- aa) When required by the City, outstanding work orders, and/or orders or requests to comply, and/or other charges from the City must be satisfactorily addressed prior to grant, loan, and/or tax assistance approval/payment;
- bb) City/Burlington Economic Development staff, officials, and/or agents of the City/Burlington Economic Development may inspect any property that is the subject of an application for any of the financial incentive programs offered by the City;
- cc) Applicants approved for the programs contained in the CIP will be required to complete the approved works within timeframes specified by the City/Burlington Economic Development; and,
- dd) Applicants approved for the programs contained in the CIP will be required to notify the City of any pending property sale, conveyance, or transfer within a timeframe (to be specified by the City) prior to the pending property sale, conveyance, or transfer.

6.3 Environmental Study Grant (ESG) Program

6.3.1 Purpose

The purpose of the Environmental Study Grant (ESG) 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.

6.3.2 Description

Eligible environmental studies include a Phase I ESA, Phase II ESA, Designated Substance and Hazardous Materials Survey, Remedial Work Plan, and a Risk Assessment/Risk Management Plan. Environmental study grants will only be offered on eligible properties where there is potential for renovation or adaptive reuse of the buildings on the property and/or development/redevelopment of the property that includes at least one employment use as approved by the City listed in Appendix B. Applicants must clearly demonstrate their legitimate intention to undertake these activities on an eligible property by whatever means deemed necessary by the City/Burlington Economic Development¹³.

The ESG Program will provide a grant equal to 50% of the cost of eligible environmental studies to a maximum:

- a) grant of \$3,000 for a Phase I ESA;
- b) grant of \$20,000 for any other eligible environmental study;
- c) of two (2) studies per property/project and \$30,000 grant per property/project.

Applications for this program will be processed and approved on a first come, first served basis, subject to a higher priority being placed on applications in higher priority locations. Review and evaluation of an application and supporting materials against program eligibility requirements will be completed by staff and a decision on the grant application will be made by staff acting as Council's designate.

¹³ This may include, but is not necessarily limited to the submission of a letter of intent to renovate, adaptively reuse, and/or redevelop the property, and submission of a preliminary development plan (if planning applications have not yet been submitted).

Grant payments approved under this program would be provided to applicants following submission to the City for review of the final completed environmental study with the original invoice, indicating that the study consultants have been paid in full.

Property owners may assign the grant to non-owners, otherwise known as assignees. For example, some property owners may wish to enable prospective purchasers to be eligible for a study grant. Assignees are eligible to apply for and receive this grant, subject to providing the City/Burlington Economic Development with written consent from the owner to conduct the study and provided that the property owner has assigned the grant to the assignee.

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 in full. The applicant will agree to provide the City/Burlington Economic Development with permission to notify any other subsequent project proponents of the existence of an environmental study or studies.

6.3.3 Program 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 Council:

- a) An application must be submitted to the City/Burlington Economic Development and approved by the City prior to the start of any environmental study to which this grant will apply;
- b) If the applicant is not the owner of the property, the applicant must provide written consent (in a format acceptable to the City/Burlington Economic Development) from the owner of the property to make the application, conduct the study and receive the grant payment.
- c) Environmental studies shall be for the purpose of:
 - i) determining the likelihood that one or more contaminants have affected any land or water on, in or under the property (Phase I ESA);
 - ii) confirming and describing the location and concentration of contamination at the site (partial, complete, or supplemental Phase II ESA);
 - iii) surveying designated substances and hazardous materials at the site (Designated Substances and Hazardous Materials Survey);
 - iv) developing a plan to remove, treat, or otherwise manage contamination found on the site (Remedial Work Plan, Risk Assessment/Risk Management Plan);

For application type c ii) above, applicants must complete and submit to the City/Burlington Economic Development for review and retention a Phase I ESA that demonstrates the property is suspected of environmental contamination and that preparation of a Phase II ESA is recommended.

For application type c iv) above, applicants must complete and submit to the City/Burlington Economic Development for review and retention a Phase I ESA that demonstrates the property is suspected of environmental contamination and that preparation of a Phase II ESA is recommended, and a Phase II ESA that demonstrates that as of the date the Phase II ESA was completed, the property 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 for the proposed use of the property;

- d) All ESG applications will include:
 - i) a minimum of two (2) study cost estimates¹⁴;
 - ii) a detailed study work plan; and,
 - iii) a description of the planned development/redevelopment, building renovation/adaptive reuse, and/or building expansion, including any planning applications that have been submitted/approved;
- e) All completed environmental studies must comply with the description of the studies as provided in the grant application form;
- f) One (1) electronic and one (1) hard copy of the study shall be supplied to the City/Burlington Economic Development for review and retention;
- g) Approval of an ESG application (except Risk Assessments/Risk Management Plans) will be revoked if the study is not submitted within two (2) calendar years of the date that the ESG application is approved;
- h) The total value of any grant(s) provided under this program will be deducted from eligible program costs for the Tax Assistance Program and/or Tax Increment Grant Program, as applicable;
- i) The grant must be repaid if the as-built project does not include at least one employment use as approved by the City listed in Appendix B.

6.4 Tax Assistance Program (TAP)

6.4.1 Purpose

The purpose of the Tax Assistance Program (TAP) is to encourage the remediation, rehabilitation, adaptive reuse and development/redevelopment of brownfield sites by providing a cancellation of the property taxes on a property that is undergoing or has undergone remediation and development to assist with payment of the cost of environmental remediation and/or risk assessment/management. This program applies only to properties requiring environmental remediation and/or risk assessment/management.

6.4.2 Description

The legislative authority for the TAP is established under Sections 365.1 (2) of the *Municipal Act, 2001* which allows municipalities to pass a by-law providing tax assistance to an eligible property in the form of cancellation of all or part of the taxes levied on that property for municipal and education purposes during the “rehabilitation period” and the “development period” of the property as defined in Section 365.1 of the *Municipal Act, 2001*. Matching education property tax assistance for eligible properties under the Provincial Brownfields Financial Tax Incentive Program (BFTIP), or through any replacement programs administered by the Ministry of Finance, is subject to application and approval of the Minister of Finance on a case by case basis.

¹⁴ The grant to be paid will be based on the lesser of the two cost estimates, or the actual cost of the study, whichever is less.

An “eligible property” for the TAP is a property within the Community Improvement Project Area (CIPA) that is also eligible for the Tax Increment Grant (TIG) Program where a Phase II ESA has been conducted in accordance with O. Reg. 153/04 and, 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) for the proposed use to be filed in the Environmental Site Registry. An application for the TAP must be accompanied by an application for the TIG Program. Stand-alone applications for the TAP are not permitted.

“Eligible costs” for the TAP 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 (RSC) for the proposed use to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*. These eligible costs are specified in the Program Requirements in Section 6.4.3 below. In no case will the total amount of the tax assistance provided under the TAP exceed the total of these eligible costs.

The City will provide municipal property tax assistance in the form of a cancellation of the property taxes and said tax assistance will cease:

- a) when the total tax assistance provided equals the total eligible costs; or,
- b) after three (3) years, whichever comes first.

The matching education property tax assistance will cease:

- c) when the total tax assistance provided equals the total eligible costs; or,
- d) after three (3) years, whichever comes first.

As part of the tax assistance provided to the applicant, the City may also seek participation from the Regional Municipality of Halton (Region) (as applicable) in order to provide for a cancellation of the municipal (City and Region) property taxes. The matching Regional portion of the property taxes to be cancelled is subject to approval by Regional Council. The tax assistance provided by the Region may be delivered on a different schedule than the tax assistance provided by the City, and may be subject to additional conditions.

Where a municipal property tax assistance program is in place under Section 365.1 of the *Municipal Act, 2001*, the City may also apply to the Ministry of Finance for matching education property tax assistance on behalf of the property owner. Matching education property tax assistance for eligible properties under the Provincial Brownfields Financial Tax Incentive Program (BFTIP), or through any other replacement programs administered by the Province, is subject to approval of the Minister of Finance on a case by case basis, may be provided on a different schedule from the tax assistance provided by the City and the Region, and may be subject to additional conditions.

If a property that has been approved for tax assistance is severed, subdivided, sold or conveyed prior to the end of the three (3) year period specified above, both the education property tax assistance and the municipal property tax assistance will automatically end.

Any property approved for tax assistance will be subject to passing of a by-law by the City that authorizes the provision of the tax assistance. This by-law will contain conditions required by the City as well as conditions required by the Region and the Minister of Finance. In order for the by-law to apply to Regional taxes, before it is passed by the City, the City must supply a copy of the proposed by-law to Regional

Council. Regional Council must, by resolution, agree that the by-law will also provide for a matching equivalent cancellation of Regional property taxes for up to 3 years. In order for the by-law to apply to education property taxes, before it is passed by the City, the by-law must be approved in writing by the Minister of Finance.

As a condition of approval of an application for Tax Assistance, the property owner will be required to enter into an Agreement with the City. This Agreement will specify the terms, duration and default provisions of the tax assistance. This Agreement is also subject to approval by City Council or Council's designate.

6.4.3 Program Requirements

Only owners of property within the Community Improvement Project Area (CIPA) that are eligible to apply for a TIG are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program requirements, and subject to availability of funding as approved by City Council, Regional Council and the Minister of Finance:

- a) An application must be submitted to the City/Burlington Economic Development and approved by the City prior to the start of any remediation and/or risk management works to which the tax assistance will apply;
- b) An application for the TAP must be accompanied by an application for the TIG Program including a description of the development that will take place on the site post remediation/risk assessment;
- c) The application must be accompanied by a Phase I ESA, and also a Phase II ESA 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) for the proposed use to be filed in the Environmental Site Registry;
- d) The application must be accompanied by a Phase II ESA and a Remedial Work Plan or Risk Assessment/Risk Management Plan that contains or is accompanied by:
 - i) a minimum of two (2) cost estimates¹⁵ for the 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) for the proposed use 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 assessment/risk management actions, including a description of the proposed remediation, including the methods and technologies to be used;
- e) As a condition of the application, the City/Burlington Economic Development may require the applicant to submit a Business Plan for redevelopment of the property (as applicable), with said Plan to the satisfaction of the City/Burlington Economic Development;
- f) The property shall be renovated or developed/redeveloped such that the work undertaken is sufficient to at a minimum result in an increase in the assessed value of the property;

¹⁵ The tax assistance to be paid will be based on the lesser of the two cost estimates, or the total of actual eligible costs, whichever is less.

- g) The total value of the tax assistance provided under this program shall not exceed total eligible costs. This includes the eligible costs of:
 - i) a Phase I ESA, Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, and Risk Assessment/Risk Management Plan not disbursed by the ESG Program;
 - ii) environmental remediation, including the cost of preparing a RSC;
 - iii) placing, compacting and grading of clean fill required to replace contaminated soils/fill disposed of off-site;
 - iv) installing, monitoring, maintaining and operating environmental and/or engineering controls/works as specified in the Remedial Work Plan and/or Risk Assessment/Management Plan; and,
 - v) environmental insurance premiums;
- h) All TAP applications must be approved by Council or Council's designate;
- i) All applicants participating in this program will be required to enter into an agreement with the City that will specify the terms, duration and default provisions of the tax assistance;
- j) The tax assistance provided must be repaid (with interest) if the as-built project does not include at least one employment use as approved by the City listed in Appendix B;
- k) Should the owner of the property default on any of the conditions in the tax assistance agreement or by-law, cancelled property taxes (plus interest) will become payable to the City, the Region and the Province;
- l) 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 City/Burlington Economic Development proof that the RSC has been acknowledged by the Ministry of the Environment, Conservation and Parks (MOECP).

6.5 Tax Increment Grant (TIG) Program

6.5.1 Purpose

The purpose of the Tax Increment Grant (TIG) Program is to encourage the remediation, renovation, adaptive re-use, and expansion of existing buildings, and the development/redevelopment of brownfield sites by providing grants to help pay for site assessment, remediation and risk assessment/management costs not fully disbursed by the ESG and TAP Programs, other non-environmental remediation costs normally associated with brownfield site redevelopment, and other costs associated with the design and construction of environmentally sustainable high quality buildings. This program applies only to properties requiring environmental remediation and/or risk assessment/management.

6.5.2 Description

"Eligible costs" for the TIG 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 (RSC) for the proposed use to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*, plus other costs including demolition, building rehabilitation and additional construction costs required to achieve Leadership in Energy and Environmental Design (LEED) Certification. These eligible costs are further

specified in the Program Requirements in Section 6.5.3 below. In no case will the total grant provided under the TIG exceed the total of these eligible costs.

As shown in **Figure 2** below, depending on the location and proposed use of an approved TIG application, the TIG Program will provide a financial incentive in the form of an annual grant equal to a percentage of the municipal property tax increase¹⁶ for up to twelve (12) years to help offset the eligible costs of remediating and renovating/adaptively reusing/developing/redeveloping eligible brownfield properties, but only where the project results in an increase in assessment value and property taxes on these properties. If an application for both the TIG Program and the TAP has been made and approved, the annual grant available under the TIG Program will begin when the benefits of the TAP (as applicable) end.

Figure 2 Tax Increment Grant – Employment Focus – (Applies ONLY to Employment Uses¹⁷)

Priority Area	Base TIG for Qualifying Project	Plus the Project	Achieves Minimum Employment Density (see Appendix C)	Achieves minimum LEED Silver Certification or Equivalent*	Maximum Duration of TIG Payment
1	70%		100%	90%	12 years
2	60%		90%	80%	11 years
3	50%		70%	70%	9 years
4	40%		60%	60%	6 years

* Equivalent can be achieved by execution of an agreement with the City for implementation and delivery of the agreed to voluntary measures contained in the City's Sustainable Building and Development Guidelines, and confirmation by the City that the "as built" development includes the agreed to voluntary measures.

The annual grant available under the TIG Program can be paid only once final building inspection and reassessment of the property has taken place, and the property taxes have been paid in full for the year in which the grant is to be provided. The grant available under the TIG 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 by the original property owner to a third party, subject to approval by the City, but this is limited to a one-time assignability by the original property owner with an approved TIG Application and Agreement.

The annual grant available under the TIG Program will be offered as a tax-increment based grant on a "pay-as-you go" basis. The applicant will initially pay for the entire costs of remediation and rehabilitation/redevelopment. When the City receives the incremental property taxes that result from the approved project, the City will reimburse the applicant in the form of an annual grant equivalent to up to 100% of the increase in municipal taxes that results from the project for a period of up to twelve (12) years, or up to the time when total grant payments equal total eligible costs, whichever comes first.

¹⁶ This program does not include the education portion of the property tax increase.

¹⁷ See Appendix A for a List of Employment Uses by NAICS Code that are eligible for this program, subject to meeting the General Program Requirements and Program specific requirements.

As a condition of approval of an application for a TIG, the property owner must enter into an Agreement with the City. This Agreement will specify the terms, duration and default provisions of the grant. This Agreement is also subject to approval by City Council or Council's designate.

Pre-project Municipal taxes will be determined before commencement of the project at the time the application is approved. For purposes of the grant calculation, the increase in the municipal portion of real property taxes ("municipal tax increment") will be calculated as the difference between pre-project municipal property taxes and post-project municipal property taxes that are levied as a result of re-valuation of the property by the Municipal Property Assessment Corporation (MPAC) following project completion.

6.5.3 Program Requirements

Only owners of property within the Community Improvement Project Area (CIPA) 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 City Council and Regional Council:

- a) An application must be submitted to the City/Burlington Economic Development and approved by the City prior to the start of any demolition, remediation, risk management, building rehabilitation, renovation and retrofit works to which the grant will apply;
- b) The application must be accompanied by a Phase I ESA, and also a Phase II ESA 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) for the proposed use to be filed in the Environmental Site Registry;
- c) The application must be accompanied by a Phase II ESA and a Remedial Work Plan or Risk Assessment/Risk Management Plan that contains:
 - i) a minimum of two (2) cost estimates¹⁸ for the 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) for the proposed use to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*; and,
 - ii) a work plan prepared by a Qualified Person and cost estimates for said environmental remediation and/or risk assessment/risk management actions, including a description of the remediation proposed including methods and technologies to be used;
- d) As a condition of the application, the City/Burlington Economic Development may require the applicant to submit a Business Plan for rehabilitation/renovation/adaptive reuse/development/redevelopment of the property (as applicable), with said Plan to the satisfaction of the City/Burlington Economic Development;
- e) The property shall be rehabilitated or developed/redeveloped 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:

¹⁸ The TIG to be paid will be based on the lesser of the two cost estimates, or the total of actual eligible costs, whichever is less.

- i) a Phase I ESA, Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, and Risk Assessment not disbursed by the Environmental Study Grant (ESG) Program or the Tax Assistance Program (TAP);
 - ii) environmental remediation, including the costs of preparing a RSC, not disbursed by the TAP;
 - iii) placing, compacting and grading of clean fill required to replace contaminated soils/fill disposed of off-site not disbursed by the TAP;
 - iv) installing, monitoring, maintaining and operating environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment, not disbursed by the TAP;
 - v) environmental insurance premiums not disbursed by the TAP; and,
 - vi) the following LEED Program Components¹⁹:
 - a) base plan review by a certified LEED consultant;
 - b) preparing new working drawings to the LEED standard;
 - c) submitting and administering the constructed element testing and certification used to determine the LEED designation;
 - d) increase in material/construction cost of LEED components over standard building code requirements;
 - vii) building demolition, including foundations and other underground structures (excluding permit fees); and,
 - viii) building rehabilitation, renovation, and retrofit works (excluding permit fees).
- g) All TIG applications must be approved by Council or Council's designate;
 - h) All applicants participating in this program will be required to enter into an agreement with the City that will specify the terms, duration and default provisions of the grant;
 - i) The grant must be repaid if the as-built project does not include at least one employment use as approved by the City listed in Appendix B;
 - j) Should the applicant default on any of the conditions in the grant agreement, grant payments already made will become repayable to the City and the Region;
 - k) If a building(s) erected on a property participating in this program is demolished before the grant period expires and not rebuilt, the remainder of the monies to be paid out under the grant shall be forfeited; and,
 - l) 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 City proof that the RSC has been acknowledged by the MOECP²⁰.

¹⁹ Maximum total of items vi) a) to d) is 10% of total construction costs.

²⁰ This requirement may be waived by the City, entirely at its own discretion, for applications that are not a change to a more sensitive use as per O. Reg 153/04 where the applicant is using a risk assessment approach. In these cases, the City may, entirely at its own discretion, permit a peer review of the risk assessment (at the applicant's expense) as an alternative to the RSC requirement.

6.6 Remediation Loan Program (RLP)

6.6.1 Purpose

The purpose of this program is to help remove a serious financial impediment to brownfield redevelopment of lands for employment uses. Securing traditional financing for the remediation component of a brownfield redevelopment project can be very difficult. The City can help remove this impediment by providing a low interest loan for the costs of remediation/risk assessment/risk management. This program applies only to properties requiring environmental remediation and/or risk assessment/management that will be used for employment.

6.6.2 Description

An applicant for the RLP must also apply for and be approved for the TIG. The RLP will provide financial assistance through a low interest loan equal to 75% of the cost of remediating a property to a maximum loan of \$400,000 per property/project. The loan is to act as a 'bridge' until such time as the property owner receives their annual grant payments under the TIG Program. The Program is not intended to provide a loan for the total development/redevelopment of the property, but solely for the remediation costs (6.5.3 f) i) to iv) that qualify under the TIG.

The loan under this Program, once approved, will be provided to the owner, in progress payments based on 75% of the actual qualifying remediation costs incurred as evidenced by copies of paid invoices. Such progress payments will be advanced within 30 days of submission of the property owner's request for a loan draw. There will be a limit of six draws, spaced no less than 30 days apart.

The interest rate for the RLP will be 0% and the loan repayment period a maximum of 5 years. The loan will be fully amortized over a maximum five (5) year period calculated from the first full year in which the property is reassessed by MPAC. The loan provided under this Program will be subject to a Loan Agreement, and will be specifically secured by an assignment of the grant payments under the TIG Program, i.e., 100% of the annual grant payment under the TIG will be used to repay (assigned to) the loan. Any balance in the approved TIG will then flow directly to the owner once the loan is repaid. In the event that the first 5 years of the TIG is not sufficient to repay the loan in its entirety, supplemental payments will be a requirement of the applicant in order that each year through the five -year repayment term, one-fifth of the loan amount is repaid.

In the event that the development/redevelopment of the property has not proceeded within one year of the remediation being completed or, the owner invalidates their qualification under the TIG Program, the loan will be capped immediately (unless alternate security acceptable to the City is provided) at the drawn amount and shall be repaid in annual installments over no longer than a five year period calculated from the date City Council approved the loan commitment.

Actual costs for which the City loan is being provided may be subject to audit (at applicants cost). Prior to a loan being approved, realty taxes are required to have been paid in full as billed each year and remain in good standing throughout the development/ redevelopment of the property.

In the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of the property by the Owner, the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program.

In the case where the owner is a corporation, the owner covenants and agrees that in the event that there is a change in the effective control of the majority of the voting shares of the owner, the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program.

6.6.3 Program Requirements

Only owners of property within the Community Improvement Project Area (CIPA) that are eligible to apply for a TIG are eligible to apply for funding under this program, subject to meeting the general program requirements, the following program requirements, and subject to availability of funding as approved by City Council and Regional Council:

- a) An application must be submitted to the City/Burlington Economic Development and approved by the City prior to the start of any remediation to which the grant will apply;
- b) An application for the RLP must be accompanied by an application for the TIG Program including a description of the development that will take place on the site post remediation/risk assessment;
- c) The application must be accompanied by a Phase I ESA, and also a Phase II ESA 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) for the proposed use to be filed in the Environmental Site Registry;
- d) The application must be accompanied by a Phase II ESA and a Remedial Work Plan or Risk Assessment/Risk Management Plan that contains:
 - i) a minimum of two (2) cost estimates for the 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) for the proposed use to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*; and,
 - ii) a work plan prepared by a Qualified Person and cost estimates for said environmental remediation and/or risk assessment/risk management actions, including a description of the remediation proposed including methods and technologies to be used;
- e) As a condition of the application, the City/Burlington Economic Development may require the applicant to submit a Business Plan for rehabilitation/renovation/adaptive reuse/development/redevelopment of the property (as applicable), with said Plan to the satisfaction of the City/Burlington Economic Development;
- f) The property shall be rehabilitated or developed/redeveloped such that the amount of work undertaken is sufficient to, at a minimum, result in an increase in the assessed value of the property;
- g) The total value of the grant provided under this program shall not exceed total eligible costs. This includes the costs of:
 - i) a Phase I ESA, Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, and Risk Assessment not disbursed by the Environmental Study Grant (ESG) Program or the Tax Assistance Program (TAP);
 - ii) environmental remediation, including the costs of preparing a RSC, not disbursed by the TAP;

- iii) placing, compacting and grading of clean fill required to replace contaminated soils/fill disposed of off-site not disbursed by the TAP;
 - iv) installing, monitoring, maintaining and operating environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment, not disbursed by the TAP;
 - v) environmental insurance premiums not disbursed by the TAP;
- h) All TIG applications must be approved by Council or Council's designate;
- i) All applicants participating in this program will be required to enter into an agreement with the City that will specify the terms, duration and default provisions of the grant;
- j) The loan must be repaid if the as-built project does not include at least one employment use as approved by the City listed in Appendix B;
- k) Should the applicant default on any of the conditions in the loan agreement, the loan must be repaid to the City;
- l) If a building(s) erected on a property participating in this program is demolished before the loan period expires and not rebuilt, the loan must be repaid; and,
- m) 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 City proof that the RSC has been acknowledged by the MOECP²¹.

6.7 Fees Grant Program (FGP)

6.7.1 Purpose

The purpose of the Fees Grant Program (FGP) Program is to provide an additional incentive that complements and augments the other brownfield redevelopment incentive programs in this CIP and helps facilitate brownfield redevelopment in the form of building renovation, adaptive re-use, expansion, development and redevelopment.

6.7.2 Description

An "eligible property" for the FGP Program is a property where an application has been approved for the TIG Program and all requirements of the TIG program have been met, including the approved eligible works and construction of the proposed building project.

The FGP will provide a grant equal to

- a) 100% of fees for all planning application fees; and,
- b) 100% of the demolition permit and building permit fees.

²¹ This requirement may be waived by the City, entirely at its own discretion, for applications that are not a change to a more sensitive use as per O. Reg 153/04 where the applicant is using a risk assessment approach. In these cases, the City may, entirely at its own discretion, permit a peer review of the risk assessment (at the applicant's expense) as an alternative to the RSC requirement.

The City will require payment of all applicable planning application fees and demolition and building permit fees at the application stage. Upon final inspection of the completed and substantially occupied project, any current or previous owner of an eligible property may apply for a refund of planning and building permit fees that they have paid to the City. In order to receive a refund of fees paid, the applicant must provide copies of receipts for fees paid.

This program does not apply to required professional studies, performance securities, or costs incurred by the applicant in relation to an appeal of any planning application(s).

6.8 Regional Funding Participation

As previously noted, the Regional Municipality of Halton Official Plan allows the Region to participate in a Local Municipality's Community Improvement Plan (CIP) and make loans and grants to that Local Municipality in support of its CIP. The Region prepared and approved the Regional Program for CIPs Guidelines to assist Regional Council and staff in identifying those Local CIPs and programs that the Region may wish to participate in to implement certain Regional Official Plan (ROP) policies. The Guidelines also identify a process for the four Local Municipalities in Halton to follow when requesting Regional participation in their CIPs and CIP programs.

Therefore, once the CIP is adopted and approved, the enabling mechanism is in place for the Region of Halton to participate with the City of Burlington/Burlington Economic Development in funding one or more of the incentive programs contained in the CIP. If the Region of Halton were to partner with the City of Burlington/Burlington Economic Development in funding some of the incentive programs contained in the CIP, this would significantly increase the ability of the City/Burlington Economic Development to fund more grant applications in the CIPA, thereby improving the effectiveness of this CIP.

In particular, participation by Halton Region in the TIG Program would significantly improve the attractiveness and effectiveness of this program. In order to avoid an amendment to the CIP should the Region decide in the future to participate in the TIG Program, the TIG Program is shown as applying to the municipal property tax increment (i.e., which could include both the City and Regional portion). However, future Regional participation in the TIG Program is entirely subject to approval by the Region of Halton. Should the Region elect not to participate in the TIG Program, then the TIG available under this program will apply only to the City property tax increment.

7.0 MONITORING PROGRAM

7.1 Purpose

The primary purpose of the Monitoring Program is to monitor the performance and impact of the incentive programs and utilize this information to make adjustments to the incentive programs in order to help ensure that the goals of this CIP are successfully accomplished.

The Monitoring Program set out in this section has several purposes. It is designed to monitor:

- a) Funds dispersed through the CIP incentive programs by program type so as to determine which programs are being most utilized;
- b) The economic impact associated with projects taking advantage of the CIP incentive programs to determine the amount of private sector investment being leveraged by public sector investment; and,
- c) Positive and negative feedback from users of the incentive program.

7.2 Description

This CIP is not intended to be a static planning document. It is intended to be a proactive plan to promote brownfield redevelopment in the CIPA. Monitoring of the uptake and performance of the incentive programs should be done on a regular basis. The information collected through the Monitoring Program should be utilized to provide regular reports, e.g., annually, to the Burlington Economic Development Board and City Council on the amount of private sector investment being leveraged by the municipal incentive programs and the economic benefits associated with these private sector projects. Information obtained through the Monitoring Program should also be used by the City/Burlington Economic Development to periodically adjust the incentive programs to improve their effectiveness, make them even more relevant and user friendly, and help ensure that the community improvement goals contained in this CIP are ultimately achieved. It is also important that the results of the monitoring program be utilized to help ensure that the incentive programs be effective as possible for both small and large brownfield projects.

Figure 3 presents a list of the variables that should be monitored by the City/Burlington Economic Development on an individual project and aggregate basis for the incentive programs contained in this CIP. This information can be used to compare the increase in long-term property tax revenues from a brownfield project to the total municipal financial incentive provided to the project to determine which projects are providing the highest return on investment.

In addition to these quantitative measures, the City/Burlington Economic Development should also attempt to monitor the qualitative results of the CIP in terms of its environmental, social and community benefits. For example, it is important to highlight environmental and health threats that are removed through the remediation and risk management of contaminated sites. Brownfield projects can also have a positive impact on existing businesses and properties in the area surrounding the brownfield project. Therefore, regular qualitative observations should be conducted by staff of the individual and cumulative impact of projects spurred by the incentive programs. This should include comments received by staff from individual business owners, property owners, investors and residents. These qualitative measures should be regularly monitored and reported to the Burlington Economic Development Board and City Council along with the quantitative measures specified in Figure 3.

Figure 3 Monitoring Variables

Program	Variable
Environmental Study Grant (ESG) Program	- Property location - Number of applications - Type of ESA (Phase I, Phase II, DS&HM Survey, Remedial Work Plan, Risk Assessment) - Cost of study - \$ Amount of Grant by type of study - Number of Grant Applications leading to TAP/TIG applications, and/or actual environmental remediation and redevelopment projects - Time required to approve a complete application
Tax Assistance Program (TAP)	- Property location - Number of applications - Eligible cost by type - Increase in assessment value of participating properties - Increase in municipal and education property taxes of participating properties - Estimated and actual \$ amount of municipal and education tax assistance provided - Hectares/acres of land remediated and redeveloped - Industrial/commercial space (sq.ft.) rehabilitated or constructed - \$ Value of private sector investment leveraged - Jobs created/maintained - Number and \$ amount of program defaults - Time required to approve a complete application
Tax Increment Grant (TIG) Program	- Property location - Number of applications - Eligible cost by type - Increase in assessment value of participating properties - Increase in municipal and education property taxes of participating properties - Estimated and actual \$ amount of tax increment grant provided - Duration of TIG payment - Hectares/acres of land remediated and redeveloped - Industrial/commercial space (sq.ft.) rehabilitated or constructed - \$ Value of private sector investment leveraged - Jobs created/maintained - Number and \$ amount of program defaults - Time required to approve a complete application - Employment density achieved - LEED certification level or sustainability measures achieved
Remediation Loan Program (RLP)	- Same Variables as the TIG Program

7.3 Program Adjustments

The individual incentive programs contained in this CIP can be activated, deactivated or discontinued by Council without amendment to this Plan. Increases in funding provided by the financial incentives contained in this CIP, the addition of any new incentive programs to this CIP, or an expansion of the Community Improvement Project Area will require a formal amendment to this Plan in accordance with Section 28 of the *Planning Act*. Burlington Economic Development/City may periodically review and adjust the terms and requirements of any of the programs contained in this Plan without amendment to the Plan. Such minor changes or discontinuation of programs will be provided to the Regional Municipality of Halton and the Minister of Municipal Affairs and Housing for information purposes only.

8.0 MARKETING STRATEGY

8.1 Purpose and Key Objectives

Experience in other municipalities has shown that one of the keys to the successful implementation of a Brownfield CIP is that brownfield redevelopment opportunities, CIP incentive programs, and the process of applying for the incentive programs is effectively communicated to developers, property owners, business owners, potential end users, and support professionals both within and outside the municipality. While Burlington Economic Development will lead this marketing effort in Burlington, the success of the CIP marketing effort in Burlington will also depend on cooperation and participation from the City and other key stakeholders, such as the local development and real estate industry.

The purpose of the basic Marketing Strategy outlined in this section is to provide a guide for Burlington Economic Development to proactively and regularly inform, educate, advertise and market the City's brownfield incentive programs and brownfield redevelopment opportunities to key stakeholders in order to help achieve the goals and targets of this CIP. This Marketing Strategy is intended only as a basic guide to assist Burlington Economic Development in its CIP marketing efforts. As such, the Marketing Strategy can be modified and enhanced by Burlington Economic Development to help ensure successful implementation of the CIP.

The key objectives of the Marketing Strategy are to:

- a) Educate the public, property owners, developers and other key stakeholders regarding environmental site assessment and remediation processes and the Region and City's requirements with respect to these processes;
- b) Market strategic brownfield redevelopment opportunities available in the city;
- c) Provide information and direction on how to apply for available incentive programs, including program guides and application forms, as well as assistance and advice from staff on making application for the incentive programs; and,
- d) Publicize brownfield success stories within the CIPA, particularly those that took advantage of the CIP incentives programs.

Therefore, it is recommended that Burlington Economic Development budget for and implement this Marketing Strategy commencing immediately upon approval of the CIP.

8.2 Key Messages

The following are the key messages that should be integrated into marketing publications, web site materials, presentations and media releases:

- a) Brownfields are abandoned, idled or underutilized properties where past actions caused known or perceived environmental contamination, but where there is an active potential for redevelopment.
- b) Environmental studies must be done on these properties in order to determine the type and extent of any soil and groundwater contamination. The City of Burlington offers a grant program to assist with the costs of these environmental studies;

- c) The remediation and redevelopment of brownfield sites results in improvements in environmental quality, human health, economic growth, and sustainability;
- d) Brownfields in Burlington represent significant untapped economic development opportunities because the redevelopment of underutilized brownfield sites will generate investment, employment opportunities and increased property tax revenues for the City and Region;
- e) The City is being proactive on brownfield redevelopment by offering attractive grant and loan programs to assist with the costs of environmental remediation and building demolition and rehabilitation;
- f) The redevelopment of brownfield sites will help to better utilize existing infrastructure, promote intensification, and reduce urban sprawl; and,
- g) Brownfield redevelopment can help to revitalize the City's older employment areas and mixed use areas.

8.3 Target Audience

The success of the CIP will depend on attracting employment development to locate, relocate or expand on to brownfield sites in the city. Typically, this type of investment in brownfield redevelopment will come from both within and outside the city, via existing industrial/employment business owners and new industrial businesses and employers, both small and large, exploring brownfield redevelopment opportunities in Burlington. Therefore, it is important that the City/Burlington Economic Development market the CIP incentive programs to this target audience of employers and developers specialized in employment development, as well as support professionals.

The Marketing Strategy should be targeted to:

- a) Brownfield market makers, i.e., those who enable and cause brownfield properties to be transacted, remediated and rehabilitated, developed and redeveloped, including:
 - i) owners/managers of brownfield properties in Burlington;
 - ii) potential developers of brownfield properties who are active in the Halton and GTA markets, and beyond; and,
 - iii) potential employment end users of vacant and underutilized brownfield sites, both within and outside Burlington.
- b) Support professionals, including:
 - i) various business and industry associations both within and outside Burlington/Halton, including the Burlington Chamber of Commerce;
 - ii) lending institutions such as banks and trust companies;
 - iii) real estate professionals and organizations;
 - iv) environmental consultants and contractors;
 - v) legal services and accounting professionals; and,
 - vi) engineers, architects, and planning consultants.
- c) The general public, in order to enhance support for the Brownfield CIP and site-specific brownfield redevelopment projects.

8.4 Marketing Tools

The marketing of the Brownfield Focus CIP programs should be a comprehensive multi-media campaign containing information, education and advertising components. The following key tools are recommended to implement the Marketing Strategy:

8.4.1 Publications

- a) A visually appealing and easy to read online and hardcopy brochure that outlines the brownfield financial incentive programs available from the City, including basic information on the programs and how to apply;
- b) An application form for the incentive programs accompanied by a detailed program guide(s) that provide a description of “how to apply” for the programs; and,
- c) Profiling of the available incentive programs and any brownfield redevelopment success stories in publications and newsletters published by Burlington Economic Development, and other publications published by the City and the Region of Halton; and,
- d) All of the above-noted documents and publications can be easily emailed to potential applicants.

8.4.2 Web Site Materials

- a) Once the CIP is approved, the Burlington Economic Development web page should be updated to include a Brownfield Focus CIP page that includes all marketing and program application materials, including direct (one-click or two-click maximum) access to the aforementioned programs brochure, program guide(s) and application form. A direct link to the Burlington Economic Development Brownfield Focus CIP webpage should also be added to the City’s webpage. It is important that the Burlington Economic Development Brownfield Focus CIP webpage be quick and easy to access from the Burlington Economic Development main webpage and from the City’s webpage, and that it be well organized with direct links to application materials for each program, as well as background information such as the actual CIP.

8.4.3 Staff Outreach

- a) Burlington Economic Development staff should prepare and make periodic presentations on the Brownfield Focus CIP including the available incentive programs and brownfield success stories to industry groups such as the Chamber of Commerce, developers and real estate associations, environmental and planning consultants, finance, insurance and legal professionals. This direct face-to-face marketing tool is an important component of the overall Marketing Strategy.

8.4.4 Attendance at Conferences

- a) Key Burlington Economic Development and City staff, the Mayor and councillors should attend brownfield, development industry and real estate conferences in order to both further educate themselves on brownfield redevelopment, and to proactively market the City’s brownfield redevelopment programs and opportunities utilizing the above-noted publications and materials.

8.4.5 Media Releases

- a) Press releases and profiles of successful brownfield projects and initiatives should be sent to local and outside media.

8.4.6 Social Media

- a) Burlington Economic Development staff should promote the Brownfield Focus CIP on their Twitter and LinkedIn accounts and also consider targeted promotion utilizing Google AdWords to developers, real estate associations, environmental and planning consultants, and finance, insurance and legal professionals in and around the Burlington area.

9.0 CONCLUSION

This Brownfield Focus CIP has been designed to address the brownfield redevelopment community improvement needs in Burlington and achieve a range of economic, environmental, and social goals. This Brownfield Focus CIP represents the first phase of a comprehensive CIP Strategy for Burlington, with individual CIPs or a comprehensive CIP in future years designed to address a number of community improvement areas. The CIP has benefitted greatly from the input received from business, property, and support professional stakeholders and input and guidance received from Burlington Economic Development and City of Burlington staff.

The adoption and approval of this CIP will provide the legislative basis and comprehensive policy framework to guide the provision of incentive programs in Burlington designed to promote private sector brownfield redevelopment for employment uses. It is recommended that all of the incentive programs contained in this CIP be implemented as soon as possible after approval of the CIP. Successful implementation of this CIP will require a commitment to funding for implementation of the incentive programs, as well as a financial and staffing resource commitment to administer, market, and monitor the incentive programs.

Experience in other municipalities has shown that early and effective marketing of incentive programs and brownfield redevelopment opportunities greatly improves the success of a Brownfield CIP. Therefore, it is important that Burlington Economic Development and the City of Burlington devote sufficient resources to this activity and work with the Region of Halton, Chamber of Commerce, Province of Ontario, and other key stakeholders to promote brownfield redevelopment in Burlington.

Finally, this Brownfield CIP is not a static plan. Ongoing monitoring of the performance of the incentive programs should be undertaken, and the programs should be adjusted as required to help ensure the long-term effectiveness and success of this CIP.

10.0 REFERENCES

Deason, J.P., Sherk, W.G. and G. A. Carroll. 2001. "Public Policies and Private Decisions Affecting the Redevelopment of Brownfields: An Analysis of Critical Factors, Relative Weights and Areal Differentials", submitted to the U.S. Environmental Protection Agency, Washington, D.C., The George Washington University.

Environment Canada. 1998. "Rising Property Values on Hamilton's West Harbourfront: Effects of Environmental Restoration on Real Estate Prices", adapted from Zegarac, M. and T. Muir (1998). "The Effects of Rap Related Restoration and Parkland Development on Residential Property Values: A Hamilton Harbour Case Study. Burlington, Ontario, Environment Canada.

Hara Associates. 2003. "Market Failures and Optimal Use of Brownfield Redevelopment Policy Instruments", prepared for the National Roundtable on the Environment and the Economy. Ottawa, Ontario.

MMM Group and Metropolitan Knowledge International. November 2009. "Variables and Options Report – Burlington Brownfield Remediation Assistance Program". Prepared for the Burlington Economic Development Corporation.

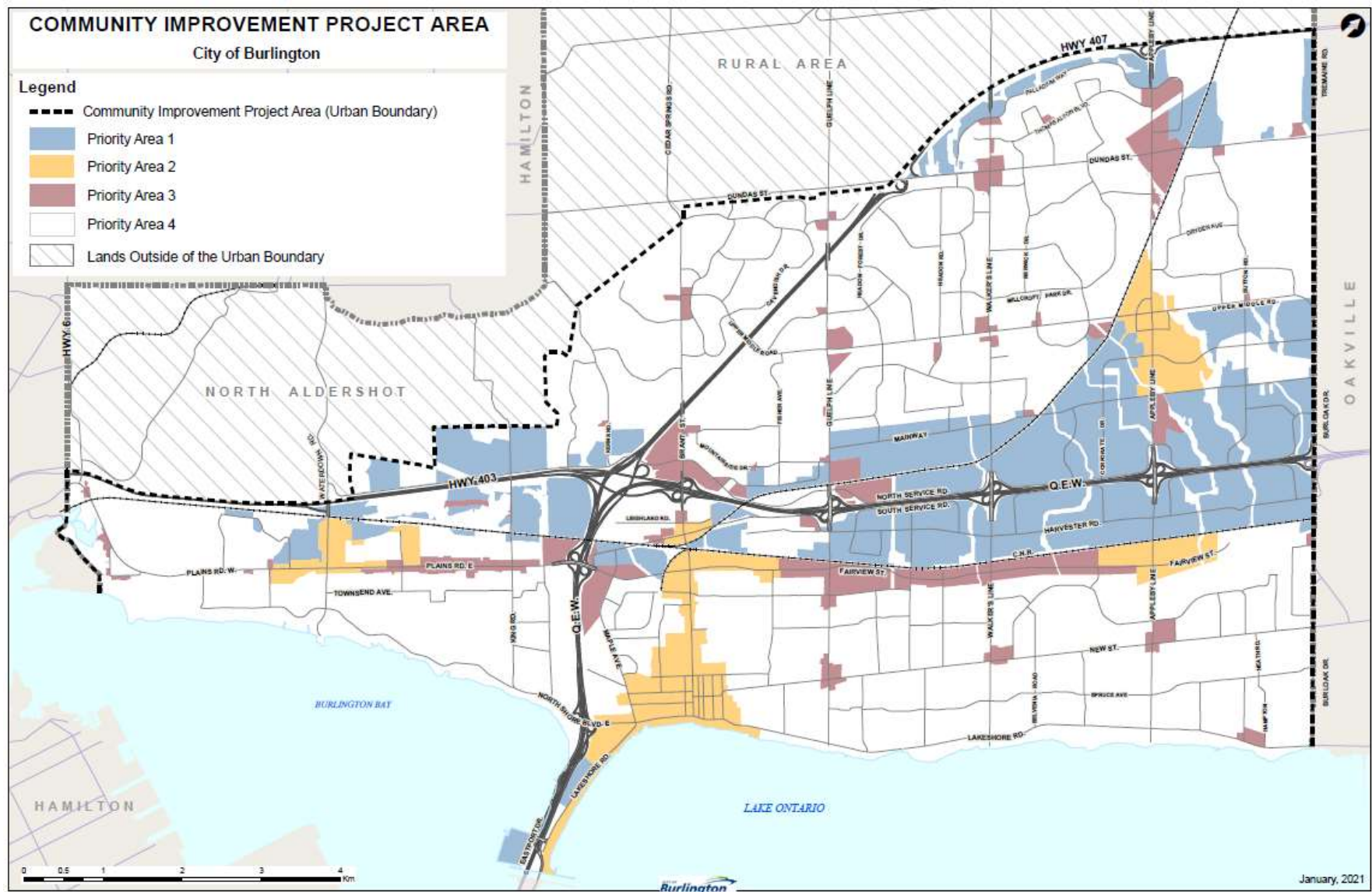
MMM Group and Metropolitan Knowledge International. February 2010. "City of Burlington Recommended Brownfield Remediation Assistance Program". ". Prepared for the Burlington Economic Development Corporation.

National Roundtable on the Environment and the Economy (NRTEE). 2003. "Cleaning Up the Past, Building the Future – A National Brownfield Redevelopment Strategy for Canada". Ottawa, Ontario.

Regional Analytics. 2002. "A Preliminary Investigation into the Economic Impact of Brownfield Redevelopment Activities in Canada", prepared for the National Roundtable on the Environment and the Economy. Burlington, Ontario.

Watson & Associates. 2016. "Regional Municipality of Halton, Halton Competitiveness Study".

APPENDIX A
Community Improvement Project Area Prioritization



APPENDIX B

Eligible Employment Uses

Only projects that propose the following **employment uses** under the North American Industry Classification System (NAICS) Canada 2017 Version 3.0 or more recent version are eligible to apply for the incentive programs contained in this CIP.

Sector 11141: Food Crops Grown Under Cover
Sector 115: Support Activities for Agriculture and Forestry
Sector 213: Support Activities for Mining, and Oil and Gas Extraction
Sector 23: Construction
Sector 31-33: Manufacturing
Sector 41: Wholesale Trade
Sector 48-49: Transportation and Warehousing
Sector 51: Information and Cultural Industries
Sector 52: Finance and Insurance
Sector 53: Real Estate and Rental and Leasing
Sector 54: Professional, Scientific, and Technical Services
Sector 55: Management of Companies and Enterprises
Sector 56: Administrative, Support and Waste Management and Remediation Services

APPENDIX C

Minimum Employment Density

The minimum employment densities for employment uses by sector will be specified by Burlington Economic Development/City.