

Brownfield Community Improvement Plan

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Prepared by:



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1.0 INTRODUCTION

1.1 What are Brownfields?

For the purposes of this Community Improvement Plan (CIP), a “brownfield” is defined as an abandoned, idled or underutilized property with an active potential for redevelopment, where redevelopment is complicated by known or suspected environmental contamination. Brownfields are usually but not always former industrial or commercial properties.

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 building rehabilitation/renovation/adaptive reuse or development/redevelopment of brownfields.

1.2 Rationale for Brownfield Redevelopment in Welland

It is estimated that there are over 200 ha. (500 acres) of potential brownfield land in Welland¹. Brownfield sites can and do have environmental, economic and social impacts in Welland. As described below, brownfield redevelopment can help to remove these impacts and provide significant environmental, economic and social benefits for residents and property and business owners in Welland.

1.2.1 Environmental Benefits

From the environmental perspective, the contamination of soil and groundwater that results from brownfield sites may be a concern for human health and safety, as well as environmental quality and health. The environmental remediation and redevelopment of brownfield sites serves to improve the environmental quality of soil and groundwater in Welland, which in turn can improve aquatic, ecological and human health. The positive impact of brownfield development on the environment is not limited to individual sites. Environmental restoration of individual sites can have a cumulative positive impact on the environment, including the protection of groundwater resources, wetlands and wildlife habitat².

Underused brownfield sites in the serviced urban area 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 land³. 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 and the loss of prime agricultural land. 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.

¹ See 2007 Welland Brownfield Strategy, Section 5.0

² Regional Analytics. 2002.

³ Deason et.al. 2001.

Brownfield 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 development⁴. Therefore, brownfield development can have the effect of reducing commuting needs, reducing traffic congestion and air pollution.

1.2.2 Economic Benefits

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, reduce property tax revenues, 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 economy⁵. Several other Canadian and U.S. studies have found that brownfield development can increase neighbourhood property values⁶. Experience in Hamilton 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 for employment, commercial and residential uses represents an excellent economic opportunity for a municipality to increase the property tax revenues generated by these properties without incurring the significant 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 neighbourhood and employment area deterioration and negatively impact 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 NRTEE concluded that brownfield development can be an engine for urban renewal⁷. 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

⁴ Hara Associates. 2003.

⁵ Regional Analytics. 2002.

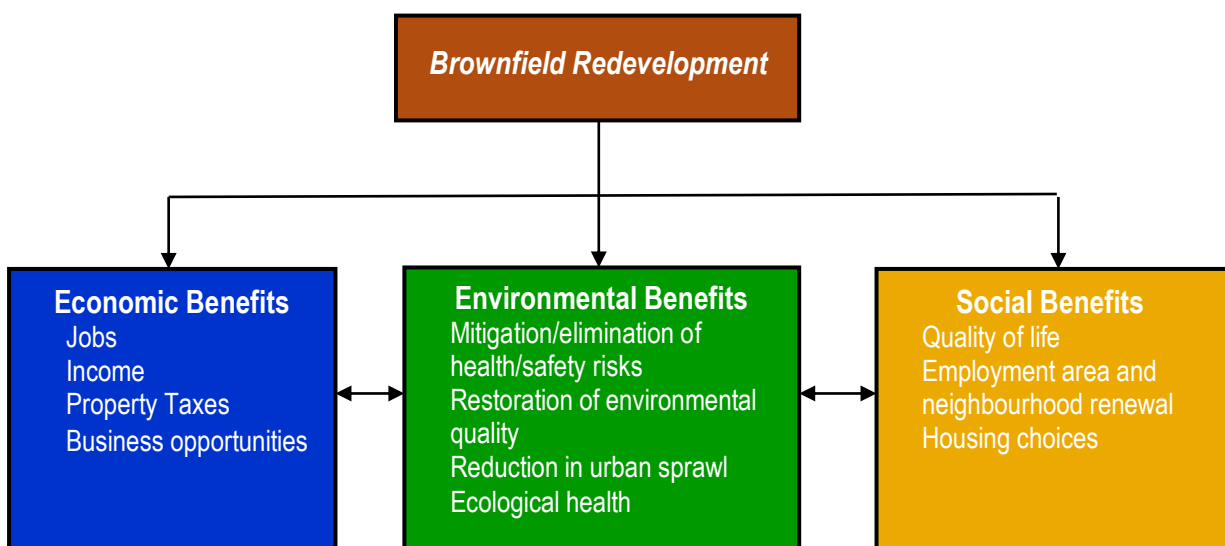
⁶ See for example, Environment Canada. 1998.

⁷ National Roundtable on the Environment and the Economy, 2003.

accrue at the local level because all development, be it brownfield or greenfield, is inherently local. Therefore, the rationale for addressing the brownfield issue in Welland can be found in the significant economic, environmental, and social benefits that would accrue in Welland.

Figure 1 below summarizes the benefits of brownfield development and the interrelationship between these benefits. For example, the economic benefits resulting from brownfield development, such as increased incomes and property tax revenues can contribute to social benefits such as neighbourhood stability and quality of life. Therefore, financial incentive programs that result in an increase in brownfield development will translate into economic, environmental and social benefits.

Figure 1 **Benefits of Brownfield Redevelopment**



Source: Regional Analytics, 2002, Figure 2, p. 7.

1.3 Purpose of the CIP

As described in the previous section, brownfields in Welland are impacting the City's ability to increase employment, property tax revenues, and promote neighbourhood renewal. Brownfields are also impacting the City's ability to meet intensification and growth targets specified in Provincial, Regional and City planning policies.

In May of 2007, the City of Welland adopted and implemented a Brownfield Community Improvement Plan (CIP). In 2017, Council approved an update of the Brownfield CIP and this process was commenced. As described in Section 1.4 below, a comprehensive review of the 2007 Brownfield CIP was undertaken as part of this updated Brownfield CIP.

The purpose of this Brownfield CIP (the “CIP”) is to outline a framework of incentive programs, a municipal leadership strategy, and a marketing strategy designed to promote the assessment, remediation, risk management, adaptive reuse, development and redevelopment of brownfields by the private sector in Welland.

1.4 Methodology

A project staff team (PST) comprised of senior City staff from several departments was established to help guide preparation of this CIP. The PST provided data on the quantitative results of the brownfield incentive programs. The PST also met on several occasions 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 incentive programs contained in the 2007 Brownfield CIP and the quantitative results of these programs. City staff responsible for administering and marketing the incentive programs were also interviewed by the consultant to identify potential content, administrative, and marketing improvements to the programs, as well as other steps the City can take to help promote brownfield redevelopment. The best incentive program practices used by a number of other municipalities with long-standing brownfield redevelopment programs in Ontario and Alberta were reviewed and compared to the incentive programs contained in the City of Welland 2007 Brownfield CIP.

Next, a review of the legislative framework for the preparation and adoption of a CIP to promote brownfield redevelopment was conducted. This was followed by a review of key City, Region of Niagara, and Provincial policies that provide direction on brownfields. This included a review of:

- i) Provincial policies including the Provincial Policy Statement (PPS) and the Growth Plan for the Greater Golden Horseshoe;
- ii) Region of Niagara policies including the Regional Official Plan (ROP) and Smarter Niagara Incentive Programs; and,
- iii) City of Welland policies including the Official Plan, Council Strategic Priorities, Economic Development Strategic Plan, Recreational Waterway Master Plan, and the other approved CIPs in Welland (the Downtown and Health and Wellness Cluster CIP and the City of Welland Niagara Gateway Economic Zone and Centre CIP).

The consultant also conducted interviews with a half dozen key brownfield stakeholders identified by City staff. These stakeholders included large and small brownfield developers, some of whom had experience with the City's brownfield incentive programs, as well as local residential home builders and industrial building representatives. These key stakeholders were asked questions about:

- impediments to brownfield redevelopment in Welland;
- how they became aware of the City's incentive programs/ efforts to promote brownfield redevelopment;
- their experiences applying for the City's brownfield and other CIP incentive programs; and,
- what key program content, administrative, and marketing changes the City could make to improve the effectiveness and attractiveness of its brownfield redevelopment incentive programs.

The key brownfield stakeholders were then invited to a workshop in January of 2018 where the results of the review of the existing 2007 brownfield incentive programs and the interviews with City staff and key stakeholders were presented by the consultant. Proposed revisions to the brownfield incentive programs, the municipal leadership strategy, and the marketing strategy were presented to the key stakeholders in attendance. A roundtable was then held with these key stakeholders to obtain their feedback on the proposed incentive program, municipal leadership, and marketing strategy improvements. This important feedback was used to refine and finalize the incentive programs, municipal leadership strategy, and marketing strategy.

Finally, the proposed revised incentive programs, municipal leadership strategy, and marketing strategy were presented to the City of Welland General Committee of Council in February of 2018 where support and direction was provided to finalize the update to the Brownfield CIP. The result of this comprehensive process is the Brownfield CIP contained herein. It should be noted that the preparation of this CIP follows FCM's Leadership in Brownfield Redevelopment Program (LiBRe) best practices framework.

1.5 Glossary of Terms

The following defines terms used in this CIP.

“Applicant”: Unless otherwise specified, is a registered owner, assessed owner, or tenant of lands and buildings within the community improvement project area, and any person to whom a registered owner, assessed owner, or tenant of lands and buildings within the community improvement project area has assigned the right to receive a grant or loan.

“Brownfield sites”: 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.

“City”: The City of Welland.

“Community Improvement”: Unless otherwise specified, this term is as defined and used in accordance with its meaning under Section 28 of the *Planning Act*, and means the planning or replanning, design or redesign, resubdivision, clearance, development 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.

“Community Improvement Project Area”: Unless otherwise specified, this term is as defined and used in accordance with its meaning under Section 28 of the *Planning Act* and means a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason.

“Community Improvement Plan”: Unless otherwise specified, this term is as defined and used in accordance with its meaning under Section 28 of the *Planning Act* and means a plan for community improvement of a community improvement project area.

“Eligible property”: Unless otherwise specified, for the purposes of making application for any of the incentive programs contained in this CIP (except for the Environmental Site Assessment Grant Program), an eligible property is a property (including land and buildings) that is within the Community Improvement Project Area as defined in this Plan where a Phase II ESA has been conducted in accordance with Ontario Regulation (O. Reg. 153/04), and that as of the date the Phase II ESA was completed, did not meet the required Ministry of Environment 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.

For the purposes of making application for the Environmental Site Assessment Grant Program, an eligible property is a property (including land and buildings) that is within the Community Improvement Project Area as defined in this Plan where a Phase I ESA conducted in accordance with O. Reg. 153/04 demonstrates the likelihood of contamination and the need for a Phase II ESA.

“Qualified person”: As defined by Section 168.1 of the *Environmental Protection Act* and O. Reg. 153/04.

1.6 Report Content

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

Section 3.0 outlines the City, Regional, and Provincial policy framework used to guide preparation of the CIP.

Section 4.0 summarizes the Community Improvement Needs.

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

Section 6.0 outlines the CIP Incentive Programs designed to stimulate brownfield redevelopment in Welland.

Section 7.0 outlines a Municipal Leadership Strategy including municipal strategies and actions to promote brownfield redevelopment.

Section 8.0 contains a basic Marketing Strategy designed to increase the effectiveness of the CIP by actively promoting the CIP incentive programs and brownfield redevelopment opportunities.

Section 9.0 contains a Monitoring Program to monitor the results of the incentive programs and Municipal Leadership Strategy.

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

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 municipalities 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*. 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 education purposes during the rehabilitation period and the development period of the property, both as defined in Section 365.1 (1) of the *Municipal Act, 2001*. 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 specified within a CIP.

3.0 POLICY FRAMEWORK

3.1 Provincial Policy Statement, 2014

The Provincial Policy Statement (the “PPS”) is issued under Section 3 of the *Planning Act* and provides direction on matters of provincial significance 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 on February 24, 2014 and the policies took effect on April 30, 2014. 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 communities for people of all ages, a clean and healthy environment, and a strong competitive economy”. To this end, the PPS promotes:

- Efficient development and land use patterns, appropriate mixes of different land use types, cost-effective development patterns and standards, environmentally sensitive development practices, accessible neighbourhoods, and available infrastructure and public facilities (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);
- Economic development and competitiveness by encouraging compact, mixed-use development that incorporates compatible employment uses to support liveable and resilient communities.
- An appropriate range of housing types and densities that accommodate current and future users, that efficiently use the land, services and facilities, and that support alternative transportation modes to the automobile, such as public transit (Section 1.4.3);
- Healthy, active communities with streets, parks, public spaces and trails that are pedestrian and cyclist-friendly and contain a range of different recreation opportunities (Section 1.5.1);
- Long-term prosperity through the maintenance and enhancement of downtown and mainstreets (Section 1.7.1c) and the redevelopment of **brownfield sites** (Section 1.7.1 e);
- Encouraging a sense of place, by promoting well-designed built form and cultural planning, and by conserving features that help define character, including built heritage resources and cultural heritage landscapes (Section 1.7.1 d);
- Sustainable tourism development (Section 1.7.1 g); and,
- Conservation of significant built heritage and cultural heritage resources (Section 2.6.1).

3.2 Growth Plan for the Greater Golden Horseshoe

The 2017 Growth Plan for the Greater Golden Horseshoe (“Growth Plan”) came into effect on July 1, 2017 and replaces the 2006 Growth Plan for the Greater Golden Horseshoe (GGH). The 2017 Growth Plan is the Province of Ontario’s growth strategy for the GGH region, which includes the Niagara Region. The Growth Plan provides a framework for implementing Ontario’s vision for building stronger, prosperous communities by better managing growth in the GGH. The Growth Plan works together with the Greenbelt Plan, the Oak Ridges Moraine Conservation Plan and the Niagara Escarpment Plan to manage growth, build complete communities, curb sprawl and protect the natural environment.

The Growth Plan provides an overall growth strategy for the Region to 2041 that builds upon the policy foundations in the PPS and is implemented primarily by municipal planning documents and other municipal tools. The Growth Plan notes that better use of land and infrastructure can be made directing growth to settlement areas and prioritizing intensification, with a focus on strategic growth areas, including urban growth centres and major transit station areas, as well as brownfield sites and greyfields.

The Growth Plan seeks to build vibrant and complete communities that:

- Feature a diverse mix of land uses, including residential and employment uses, and convenient access to local stores, services, and public service facilities;
- Prioritize intensification and higher densities to make efficient use of land and infrastructure;
- Provide a diverse range and mix of housing options, including affordable housing to serve all sizes, incomes, and ages of households;
- Ensure the development of high quality compact urban form;
- Integrate green infrastructure and low impact development;
- Protect and enhance natural resources;
- Support a strong and competitive economy; and,
- Optimize the use of new and existing infrastructure.

The Growth Plan directs that the vast majority of growth will be directed to settlement areas that have: a delineated urban boundary, existing or planned municipal water and wastewater systems, and can support the achievement of complete communities. Within settlement areas, growth will be focussed on: delineated built-up areas, strategic growth areas, locations with existing or planned transit, with a priority on *higher order transit* where it exists or is planned, and areas with existing or planned public service facilities.

The City of Welland’s Urban Area is within the Delineated Built-Up Area and brownfield sites within the Delineated Built-Up Area are considered Strategic Growth Areas in the Growth Plan. Welland is also identified in the Growth Plan as a Gateway Economic Centre which is part of the Gateway Economic Zone and Gateway Economic Centre near the U.S. border. The Growth Plan notes that planning and economic development in these areas will support economic diversity and promote increased opportunities for cross-border trade, movement of goods, and tourism.

3.3 Niagara Region Official Plan

The Regional Municipality of Niagara Official Plan (the “Regional Official Plan” or “ROP”) provides the strategic direction for all land use decisions in Niagara. The ROP outlines the Niagara Region’s planning goals and priorities for a vibrant and sustainable community, and outlines specific strategies and policies to help achieve that vision.

Urban areas in the Region are intended to accommodate a broad range of urban uses that serve residents in the community, including commercial, residential, industrial, open space and institutional uses. The Region promotes and will facilitate the revitalization of downtowns and the redevelopment of brownfields, greyfields and commercial areas into mixed-use areas that include a variety of employment, institutional, entertainment, recreational and residential uses (Policy 3.D.5). The Niagara ROP uses the same definition of “brownfield sites” as the PPS.

Almost all of the Urban Area in the City of Welland is identified in the ROP as a Gateway Economic Centre (see Schedule G1 of the ROP). The Vision in the ROP for the Niagara Economic Gateway Employment Lands is to attract investment and promote employment growth in strategic locations. One of the key Regional objectives for the Niagara Economic Gateway is to “promote employment land intensification and brownfield redevelopment” (Objective 3.A.2.10).

The policies of Section 4 of the Regional Official Plan, Managing Growth, identify numerous strategic growth objectives for the Niagara Region. These objectives and their supporting policies are designed to preserve and enhance Niagara’s unique characteristics and quality of life, while achieving a balance between accommodating growth and development and conserving resources and protecting the environment. A number of these objectives are relevant to the subject CIP’s preparation, including:

- Directing the majority of growth and development to Niagara’s existing Urban Areas;
- Direct a significant portion of Niagara’s future growth to the Built-up Area through intensification;
- Build compact, mixed use, transit supportive, active transportation friendly communities in the Built-up Area and in Designated Greenfield Areas;
- Reduce dependence on the automobile through the development of compact, mixed use, transit supportive, active transportation friendly urban environments; and,
- Provide a framework for developing complete communities all across Niagara, including a diverse mix of land uses, a range of local employment opportunities and housing types, high quality public open spaces, and easy access to local stores and services via automobile, transit and active transportation.

Section 4.C of the Regional Official Plan promotes intensification. Section 4.C.4 sets out minimum residential intensification targets for Niagara’s local municipalities⁸. The minimum intensification target for the City of Welland is 40% of annual residential units through intensification. Policy 4.C.2.1 of the Regional Official Plan specifies that each local municipality will develop and implement through its local official plan and other supporting documents, a strategy and policies for promoting intensification and achieving the intensification targets. In relation to this CIP, Policy 4.C.2.1 also indicates that Local official plans will:

⁸ The new Growth Plan that took effect on July 1, 2017 identifies new intensification targets.

- Identify specific Intensification Areas to support the achievement of the intensification targets, including downtowns, intensification nodes and corridors and strategically located brownfield and greyfield areas;
- Identify opportunities for providing affordable housing within Intensification Areas; and,
- Make use of other tools, such as the Region's Model Urban Design Guidelines, Alternative Development Standards, Development Permit Systems or **Community Improvement Plans** to facilitate growth and development within Local Municipally Designated Intensification Areas.

Policy 14.F.1 of the ROP contains the Region's Community Improvement policies and notes that the Region may establish programs for the provision of grants and loans to local municipalities for the purpose of achieving the goals of Community Improvement Plans.

3.4 Smarter Niagara Incentive Programs

The Region has defined a vision for urban growth and community redevelopment and revitalization through its Smart Growth initiative, Smarter Niagara. The Region's Smart Growth initiative is defined through ten principles and an associated list of supporting criteria. These ten principles, many of which apply directly or indirectly to this CIP, are:

- 1) Create a mix of land uses;
- 2) Promote a compact built form;
- 3) Offer a range of housing opportunities and choices;
- 4) Produce walkable neighbourhoods and communities;
- 5) Foster attractive communities and a sense of place;
- 6) Preserve farmland and natural resources;
- 7) Direct development to existing communities;
- 8) Provide a variety of transportation choices;
- 9) Make development predictable and cost effective; and
- 10) Encourage community stakeholder collaboration.

A key component of the Smarter Niagara initiative is the Smarter Niagara Incentive Programs, which were endorsed by Regional Council in 2002. These programs underwent a major review and update in 2011 and revisions to the programs were approved by Council in November of 2011. The Region has established that it will provide a matching proportionate share of financial incentive programs offered by an area municipality through a CIP, subject to a maximum share from the Region as specified in the Smarter Niagara Incentive Programs. The current Smarter Niagara Incentive Programs are listed in **Appendix A**.

Efforts have been ongoing to implement these programs since 2002 and the Region has budgeted considerable funds for the implementation of these programs. The Region and area municipalities in Niagara have established a Region/Area Municipality Incentive Coordinating Committee to coordinate the provision of these incentives through local community improvement plans. The Region has also developed Smart Growth Design Criteria that are used by Regional staff to determine if development projects within community improvement project areas or on brownfield sites are eligible for an additional Regional development charge

reduction. The Region has indicated that it will be undertaking a comprehensive review of the Smarter Niagara Incentive Programs to be completed by December 31, 2018.

3.5 City of Welland Official Plan

The City's Official Plan (OP) was adopted by Council on May 4, 2010, and approved, in part, with modifications and deferrals by Niagara Regional Council on September 15, 2011. The City's OP is the comprehensive policy document that outlines the City's long term vision for the community and provides a range of policies governing growth management, land use planning, and development. The OP also aims to promote quality of life and the balancing of environmental, economic, cultural and social factors. The Plan is a 20-year land use vision which has incorporated a range of local, Regional and Provincial policies, plans and strategies.

3.5.1 Strategic Directions

The OP sets out a number of strategic directions for the City of Welland. This includes a number of strategic directions that are relevant to this CIP, including: Welland as a: leadership community, economic gateway, sustainable city, safe, healthy and accessible city, and a proud and attractive city. One of the strategic directions under the Sustainable City notes that Welland will promote and implement programs which maintain and improve the quality of the land and its nutrients, including the remediation of brownfield sites (2.5.2 iv).

3.5.2 Growth Management Strategy

The Growth Management Strategy in the OP notes that the City encourages appropriately planned infilling and intensification along the Welland Recreational Waterway, brownfield and greyfield areas and areas with access to planned or existing transit services. One of the key growth related planning objectives in the OP is "to encourage the redevelopment of brownfield areas" (3.2 iv).

3.5.3 City Structure

Section 3.4.4 defines intensification and notes the importance of intensification as an appropriate means of accommodating growth since it makes better use of existing serviced land. The increase in housing units and employment created by intensification is also considered a good approach to maintaining and improving vibrancy. The OP notes that intensification will be encouraged throughout the Built Up Area, however, the strategic location for intensification projects should generally be within the Downtown, on brownfield sites, along the Welland Recreational Waterway and along key transit corridors within the City.

Policy 3.4.4.1D of the OP sets out the City's intensification target which is 40% of all annual housing development should occur within the City's Built-Up Area after 2015⁹. Section 3.4.4.1E of the OP specifies that one of the strategies to help achieve this target is providing financial incentives for reinvestment in strategic locations through Community Improvement Plans (Downtown and Health and Wellness Cluster Community Improvement Plan and Brownfield Community Improvement Plan).

⁹ The new Growth Plan that took effect on July 1, 2017 identifies new intensification targets.

Section 3.4.4.2 of the OP contains specific policies on brownfield redevelopment. These policies note that brownfields are important from an economic development planning perspective because they are underutilized serviced land in an urban setting which has potential for redevelopment. Left in a derelict state, they may adversely impact the attractiveness of the surrounding area for investment and degrade the areas in which they are located. Policy 3.4.4.2.C notes that with an estimated 200 ha of brownfield lands located throughout Welland, the City actively supports the reuse and redevelopment of its brownfield areas.

The OP notes that the City's original Brownfield CIP was approved in April 2007 and that the remediation and redevelopment of brownfield sites, particularly in proximity to the Welland Recreational Waterway, is an important objective of the OP and the Brownfield CIP. Policy 3.4.4.2.F notes that the City will continue to provide municipal leadership and work with developers and entrepreneurs to find new opportunities and partnerships in addressing the redevelopment of brownfields.

3.5.4 Urban Land Use

The Housing and Residential policies in Section 4.2 of the OP note that new high density residential uses should be located in a number of areas, including on brownfield sites. Section 4.3 notes that the City will promote opportunities for intensification and redevelopment in Employment Areas located within the Built Up Area of the City, including, but not limited to, further implementation of the Brownfield CIP. In fact, Policy 4.3.3.3 notes that while infilling is encouraged throughout the City's existing built up Employment Areas, the City will give priority to viable brownfield redevelopment opportunities when prioritizing resources to support infill and intensification programs.

3.5.5 Area Specific Policy Areas

The OP identifies a number of areas that are potential brownfield redevelopment areas. This includes the former John Deere site and adjacent lands, and a portion of the former Atlas Steel South Plant.

3.5.6 Community Improvement Plans

The Community Improvement policies are contained in Section 7.10 of the OP and are attached in **Appendix B**. This section of the OP notes that the *Planning Act* allows municipalities to identify Community Improvement Project Areas, prepare Community Improvement Plans, and provide incentive programs which stimulate redevelopment of lands as a means to maintain the vitality of the municipality. Section 7.10.1 outlines the goals of the Downtown and Health and Wellness Cluster CIP and several types of incentive programs that may be offered in the Downtown and Health and Wellness Cluster CIP. Section 7.10.2 outlines the goals of the Brownfield CIP. The goal of community improvement on brownfield lands is to promote the remediation, rehabilitation, adaptive re-use, redevelopment and overall improvement of brownfield sites. Section 7.10.2.2 notes that the Brownfield CIP may offer a range of programs, including, but not limited to:

- i) Environmental Site Assessment Grant Program;
- ii) Brownfields Tax Assistance Program; and,
- iii) Brownfields Rehabilitation Grant Program.

The Brownfield CIP will describe the eligibility criteria to obtain funding through any of the CIP's programs. The program funding will be established by Council, but shall not place a burden on municipal finances.

Section 7.10.3 sets out the criteria for the establishment of new community improvement project areas. These criteria include:

- i. Conditions of existing buildings;
- ii. Land use issues;
- iii. Aesthetic issues;
- iv. Transportation or infrastructure issues;
- v. Natural or human-made environmental issues;
- vi. Social or community issues;
- vii. Economic issues; and
- viii. Any other relevant issues which create barriers to the repair, rehabilitation or redevelopment of underutilized or dilapidated land/buildings.

Section 7.10.3.2 notes that new CIPs shall contain a statement of purpose, goals, a description of the Community Improvement Project area, a description of all programs and/or projects, an implementation plan, and a technical appendix justifying the delineation of the area and the need for the programs. The preparation and adoption of new Community Improvement Plans shall meet the minimum requirements of the Planning Act for public consultation.

3.6 Council Strategic Priorities

In October of 2016, Welland City Council held a strategic priorities workshop where they reconfirmed their strategic priorities for the remaining term of Council to 2018. The strategic priorities are:

- Canal Redevelopment;
- Financial Management and Sustainability;
- Infrastructure Renewal;
- Business Development and Job Creation; and,
- Communications, Public Engagement and Organizational Culture.

A report on the strategic priorities workshop (CAO 2016-10) notes that the Downtown and Health and Wellness Cluster CIP programs have leveraged \$1.2 Million in private sector investment and the Gateway CIP programs have been used for three new builds and one expansion in Welland. Since the workshop, the Gateway CIP programs have been used for two more expansions and two more new builds.

3.7 Economic Development Strategic Plan and Manufacturing Attraction Strategy

The City of Welland Economic Development Strategic Plan and Manufacturing Attraction Strategy was prepared in December 2013. This Strategy builds on previous economic development studies completed in 2004 and 2006 with a mandate to affirm historical target sectors, identify new opportunities and markets and make recommendations for an investment attraction action plan for the City.

The Strategy contains an economic base and industry sector analysis, a structural analysis and SWOT analysis and sector recommendations. The Strategy also identifies key market manufacturing sub-sector opportunities, site selection criteria and investment readiness, sector highlights and messaging, lead generation recommendations and implementation action plans.

The following strategies are included:

- Corporate calling - regular company visit, including board/elected officials;
- Upper level government relations - sector briefings, participation in trade missions;
- Industry associations - partner with Canadian manufacturers and exporters (CME and other key sector industry associations);
- Participation in sector specific industry events in key markets (exhibit or walk/network shows);
- Commission professional pre-show lead generation and meetings;
- Local market influencers activities (capture business leaders participating in recreational activities);
- Support improved energy infrastructure, pricing and security;
- Enhance business start-up programs to support workforce development in partnership with existing resources and expanded relationships with centres of excellence at both Niagara College and Brock University; and,
- Commission accredited business retention and expansion (BR+E) Program.

3.8 Welland Recreational Waterway Master Plan

The Welland Recreational Waterway Master Plan was adopted by Council in June of 2008. The Plan provides a conceptual guideline for enhancement and development of the Waterway and Canal lands. The plan contains a primary goal, vision, guiding principles, and seven objectives. A number of these objectives can be supported by the Brownfield CIP. For example, the remediation of brownfield sites would help to increase the quality of the Waterway's natural environment (Objective 3). Objective 7 is to be a catalyst for urban renewal and economic development. This objective speaks to stimulating downtown revitalization and high density residential development, particularly within the Waterway corridor.

3.9 Other Community Improvement Plans

In addition to the Brownfield CIP, the City of Welland has two other CIPs in effect, the Downtown and Health and Wellness Cluster CIP, and the City of Welland Niagara Gateway Economic Zone and Centre CIP.

3.9.1 City of Welland Niagara Gateway Economic Zone and Centre CIP

The City of Welland Niagara Gateway Economic Zone and Centre CIP (Gateway CIP) was endorsed by Regional Council in July of 2012. The Gateway Community Improvement Project Area is "all designated employment lands in the settlement areas within Welland, Port Colborne, Niagara Falls, Fort Erie and Thorold". City of Welland Council adopted the Gateway CIP in March of 2014. The Gateway CIP offers three incentive programs, a Tax Increment Based Grant Program, a Planning Application Fee Grant Program and a Regional Development Charge Grant Program. Through its Development Charges By-law, the City also offers a 100% reduction of City development charges payable for employment uses within the City of Welland Niagara Gateway Economic Zone and Centre Community Improvement Project Area. The incentive

programs in the Gateway CIP have leveraged \$307 million in private sector investment and have been utilized to attract five new employment uses and expand three existing employment uses in Welland.

General Program Requirement 6.2 u) in the Gateway CIP requires that the total of all grants, loans and tax assistance provided in respect of the particular lands and buildings for which an applicant is making application under the programs contained in the Gateway CIP and any other applicable CIPs shall not exceed the eligible costs of the improvements to those particular lands and buildings under all applicable CIPs.

3.9.2 Downtown and Health and Wellness Cluster CIP

The Downtown and Health and Wellness Cluster CIP was adopted by Welland Council in August of 2014. The Community Improvement Project Area for this CIP includes the Downtown East and West Areas, King Street Area and the Health and Wellness Cluster. This CIP contains the following six incentive programs:

- 1) Urban Design Study Grant;
- 2) Façade Improvement Grant;
- 3) Building Improvement Grant;
- 4) Residential Grant;
- 5) Tax Increment Grant; and,
- 6) Planning and Building Fees Grant.

Through its Development Charges By-law, the City also offers a reduction of City development charges in the Downtown and Health and Wellness Cluster Community Improvement Project Area equal to 75% of the development charge normally payable. An additional 25% City development charge reduction is available for projects that incorporate smart growth design criteria.

As with the Gateway CIP, General Program Requirement 11.2 w) in the Downtown and Health and Wellness Cluster CIP requires that 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 the Downtown and Health and Wellness Cluster CIP and any other applicable CIPs shall not exceed the eligible costs of the improvements to that particular property under all applicable CIPs.

4.0 COMMUNITY IMPROVEMENT NEEDS ANALYSIS

4.1 Methodology

As described in Section 1.4, an analysis was conducted to identify key brownfield community improvement needs, goals, and improvements to the 2007 Brownfield CIP that could be made to help better address the community improvement needs and goals. The key steps in this analysis included:

- i) a review of the incentive programs in the 2007 Brownfield CIP;
- ii) interviews with City staff responsible for administering and marketing the incentive programs;
- iii) a best practices review of incentive programs currently being used by a number of other municipalities with long-standing brownfield redevelopment programs;
- iv) interviews with a half dozen key brownfield stakeholders;
- v) a workshop with key brownfield stakeholders to discuss potential enhancements to the CIP programs; and,
- vi) input from the project staff team during the entire process.

4.2 Needs

Based on the methodology described above, the following were identified as the key brownfield community improvement needs to be addressed by this CIP:

- increased financial assistance for the cost of environmental site assessments;
- increased financial assistance for the cost of environmental remediation;
- financial assistance for non-environmental costs associated with brownfield sites such as the costs of building demolition, building renovation/upgrading, and on-site infrastructure upgrading;
- assurances that approved municipal financial assistance will be available;
- where possible, a reduction in the time required to obtain approval for incentive program applications and municipal planning applications;
- greater clarity on upfront information and documentation requirements for brownfield incentive programs;
- increased education and awareness of brownfield incentive programs and redevelopment opportunities in Welland; and,
- because there is still a considerable amount of greenfield land available in Welland and Niagara as a whole, brownfield incentive programs in Niagara must be very attractive as compared to both municipalities within Niagara and those outside of Niagara.

4.3 Goals

Based on the methodology described above, the following were identified as the goals of this CIP:

- a) Improve the physical and visual quality of brownfield sites;
- b) Improve environmental health and public safety through remediation, risk assessment, and risk management of brownfield sites;
- c) Increase construction activity and building permits;
- d) Improve the potential profitability of brownfield sites.
- e) Retain and increase employment opportunities;
- f) Provide opportunities for housing and other uses in close proximity to Downtown Welland and the Welland Recreational Waterway;

- g) Promote Smart Growth, including more efficient use of existing public infrastructure and services and the reduction of urban sprawl and its related costs;
- h) Increase property tax assessment and property tax revenues for the City of Welland, Region of Niagara, and the Province of Ontario; and,
- i) Utilize public sector investment to leverage significant private sector investment in brownfield remediation, adaptive re-use, and redevelopment.

4.4 Improvements

Overall, interviews with the key brownfield stakeholders, a number of whom had made application for the City's existing brownfield incentive programs, produced positive responses with respect to the attractiveness of the City's brownfield incentive programs and the process of applying for these incentive programs. However, the responses of the key brownfield stakeholders and the experience of City staff administering the brownfield incentive programs did point to a number of potential program and administrative improvements, including:

- expanding the eligible studies under the Environmental Site Assessment (ESA) Grant Program to include designated substances and hazardous materials surveys;
- increasing the amount of funding available under the ESA Grant Program to reflect the increased costs of undertaking environmental site assessments as a result of amendments to O. Reg 153/04 that took effect on July 1, 2011;
- significantly increasing the percentage of the tax increment grant available under the Brownfields Rehabilitation Grant (TIG) Program;
- adding the removal/abatement of designated substances and hazardous materials as an eligible cost under the TIG Program;
- where the Community Improvement Project Area of the Brownfield CIP and the Downtown and Health and Wellness Cluster CIP overlap, providing an additional tax increment grant (TIG) incentive for brownfields over and above the TIG available for properties that are not brownfields;
- clarifying front-end application information submission requirements;
- increasing dedicated City staff resources for processing of incentive program applications; and,
- enhancing and expanding the marketing of all the City's incentive programs, including the brownfield redevelopment incentive programs.

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.

An inventory of potential brownfield sites in Welland identified approximately two dozen brownfield properties. These properties include operating and non-operating heavy industrial uses, as well as a number of commercial uses, institutional uses and vacant lands. In total, the two dozen properties comprise over 202 ha (500 acres). Based on existing and previous uses of these properties, most of them have a moderate to high potential for contamination. But, most of these properties also have good redevelopment potential and are in close proximity to the Welland Recreational Waterway. All but one of these properties is located within 1 km. of the Waterway.

While the most easily identifiable brownfield properties in Welland are concentrated in the older areas of the city, near the Welland Recreational Waterway, there are no doubt properties in other parts of the City that are also brownfields. These will include lands with current and former uses such as gasoline stations, dry cleaners, printers, manufacturers, textile mills, asphalt plants, petroleum storage and automobile wrecking yards. Some of these uses, such as gasoline stations, will be spread across the urban area of the City.

Therefore, based on the location of potential brownfield sites in the City of Welland, **the Community Improvement Project Area (CIPA) for this CIP is “the entire urban area of the City of Welland, as well as those lands included in the Northwest Planning and Servicing Study, as amended from time to time”**. The Community Improvement Project Area (CIPA) is properly defined by this text reference.

6.0 INCENTIVE PROGRAMS

6.1 Approach

The incentive programs contained in this section of the CIP were developed using input from the review of the 2007 Brownfield CIP incentive programs, the policy review, best practices review, key stakeholder consultation, and input from PST. The incentive programs are collectively designed to address the community improvement needs for brownfields in Welland and achieve the goals for this CIP identified in Section 4.0. 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.

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, subject to the availability of funding. 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 to that particular property under all applicable CIPs.

This CIP contains the following incentive programs as outlined in the balance of Section 6.0:

- 1) Environmental Study Grant (ESG) Program;
- 2) Brownfields Tax Assistance (BTA) Program;
- 3) Brownfields Tax Increment Grant (BTIG) Program; and,
- 4) Brownfields Fees Grant (BFG) Program.

Figure 2 below summarizes basic details for each of the incentive programs and the balance of Section 6.0 describes the purpose and specific details and requirements for each of the incentive programs. 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.

The incentive programs contained in this section are augmented and complemented by a proactive Municipal Leadership Strategy (Section 7.0), a Marketing Strategy (Section 8.0) and a Monitoring Program (Section 9.0) that will monitor implementation progress and program results.

This CIP includes general program requirements (Section 6.2) that apply to all the incentive programs contained in the CIP and program specific requirements applicable to each incentive program to help ensure that the goals contained in this CIP will be achieved while protecting the financial interests of the City.

Figure 2 Summary of Incentive Programs

Program Name	Program Description
Environmental Study Grant (ESG) Program	<ul style="list-style-type: none"> - Grant is equal to 50% of the cost of an eligible environmental study to a maximum: <ol style="list-style-type: none"> a) grant of \$20,000 per environmental study. b) of 2 studies per project. c) total grant of \$35,000 per project.
Brownfields Tax Assistance (BTA) Program	<ul style="list-style-type: none"> - Cancellation of Municipal (City and Region) and Education property taxes for up to 3 years, or up to the point in time where total tax assistance provided equals the total of actual eligible costs, whichever comes first. - N.B. Cancellation of Regional property taxes is subject to the approval of Regional Council or Regional Council's designate. - N.B. Cancellation of education property tax increase is subject to approval by the Minister of Finance and is a separate process from the CIP program application process
Brownfields Tax Increment Grant (BTIG) Program	<ol style="list-style-type: none"> a) If property is inside the Downtown and Health and Wellness Cluster Community Improvement Project Area, annual Grant is equal to 80% of the Municipal (City and Region) property tax increment created by the project for up to 15 years after project completion; b) If property is outside the Downtown and Health and Wellness Cluster Community Improvement Project Area, annual Grant is equal to 80% of the Municipal (City and Region) property tax increment created by the project for up to 10 years after project completion; c) If project achieves at least 3 of the City's 6 Development Charge Exemption criteria, the 80% in a) and b) above is increased to 100%. <ul style="list-style-type: none"> - N.B. The Regional BTIG is subject to the approval of Regional Council or Regional Council's designate.
Brownfield Fees Grant (BFG) Program	<ul style="list-style-type: none"> - Reimbursement type Grant equal to 100% of all planning and building permit fees.

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 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 Plan can be made only for properties within the Community Improvement Project Area;
- b) Application for the incentive programs contained in this Plan cannot be made on a retroactive basis. This has two meanings. First, the City 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, 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;

- c) For the purposes of making application for any of the incentive programs in the CIP (except for the ESG 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;
- d) 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 O. Reg. 153/04¹⁰.
- e) With the exception of the ESG Program and the BFG Program, the applicant must be the owner of the property;
- f) For the ESG Program, if the applicant is not the owner of the property, the applicant must provide written consent (in a form acceptable to the City to be provided at the application stage) from the owner of the property to make the application and receive the grant (the property owner assigns the grant to the assignee);
- g) 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 for purposes of satisfying the City with respect to costs, design, performance, and conformity of the project with the CIP;
- h) 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;
- i) All applications are subject to approval by 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;
- j) As a condition of application approval, the applicant may be required to enter into a grant agreement with the City. 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;
- k) 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;
- l) The Provincial and Federal governments, Crown Corporations and the Regional Municipality of Niagara are not eligible to apply for any of the incentive programs contained in this CIP;
- m) Where other sources of government and/or non-profit organization funding (Federal, Provincial, Municipal, CMHC, Federation of Canadian Municipalities, etc...) that can be applied against the eligible

¹⁰ 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.

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;

- n) 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, the City reserves the right to make exceptions to this requirement on a case by case basis where redevelopment benefits to the municipality and community would be very significant;
- o) 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;
- p) The total of all grants 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;
- q) The City reserves the right to audit the cost of environmental studies, environmental remediation and risk management works, and building renovation/retrofit, construction, and any other works that have been approved under any of the financial incentive programs, at the expense of the applicant;
- r) The City 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 and/or tax assistance;
- s) If the applicant is in default of any of the general or program specific requirements, or any other requirements of the City, 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;
- t) The City may discontinue any of the programs contained in this CIP at any time, but applicants with approved grants and/or tax assistance will still receive said grant and/or tax assistance, subject to meeting the general and program specific requirements and the requirements of any grant/tax assistance agreement entered into with the City;
- u) 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;
- v) 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 by the City;
- w) 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;
- x) 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;

- y) 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 and/or tax assistance approval/payment;
- z) City staff, officials, and/or agents of the City may inspect any property that is the subject of an application for any of the financial incentive programs offered by the City; and,
- aa) Applicants approved for the programs contained in the CIP will be required to complete the approved works within timeframes specified by the City.

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

A Phase I Environmental Site Assessment (ESA) has become a standard requirement of most financial institutions. A Phase I ESA does not provide detailed information with respect to the type of contamination and cost of remediation. Therefore, Phase I ESA's are not eligible for funding under this program.

Eligible environmental studies include a 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. Applicants must clearly demonstrate their legitimate intention to undertake one of these activities on an eligible property by whatever means deemed necessary by the City¹¹.

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

- a) grant of \$20,000 per eligible environmental study;
- b) of two (2) studies per project; and,
- c) total grant of \$35,000 per project.

Applications for this program will be processed and approved on a first come, first serve basis, subject to a higher priority being placed on applications where planning applications have already been approved or submitted, and applications located on key known or suspected brownfield sites. Review and evaluation of an application and supporting materials against program eligibility requirements will be completed by City staff and a decision on the grant application will be made by City staff.

¹¹ 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 municipality 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 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 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 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) surveying designated substances and hazardous materials at the site (Designated Substances and Hazardous Materials Survey);
 - ii) confirming and describing the location and concentration of contamination at the site (partial, complete, or supplemental Phase II ESA);
 - iii) 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 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 iii) above, applicants must complete and submit to the City 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 estimates¹²;
 - ii) a detailed study work plan to be completed by a Qualified Person; 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 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 BTA Program and/or BTIG Program, as applicable.

6.4 Brownfields Tax Assistance (BTA) Program

6.4.1 Purpose

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

6.4.2 Description

The legislative authority for the BTA Program 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.

“Eligible costs” for the BTA 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*.

¹² 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.

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 BTA Program exceed the total of these eligible costs.

The City will provide municipal (City and Region¹³) property tax assistance in the form of a cancellation of municipal 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:

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

As part of the tax assistance provided to the applicant, the City may seek participation from the Regional Municipality of Niagara (Region) in order to provide for a cancellation of the municipal (City and Region) property tax increase. The matching Regional portion of the property tax assistance is subject to approval by Regional Council or Regional Council's designate. 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 (City and Region) 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 property 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 the 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.

¹³ Authorization of Regional tax assistance is subject to approval of Regional Council or Regional Council's designate.

6.4.3 Program Requirements

Only owners of property within the CIPA 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 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) 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 that contains or is accompanied by:
 - i) a minimum of two (2) cost estimates¹⁴ 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 proposed remediation, including the methods and technologies to be used;
- d) As a condition of the application, the City may require the applicant to submit a Business Plan for redevelopment of the property (as applicable), with said Plan to the City's satisfaction;
- e) 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;
- f) The total value of the tax assistance provided under this program shall not exceed total eligible costs. This includes the eligible costs of:
 - i) A Phase II ESA, 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, grading, and compacting 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;

¹⁴ 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) All applicants participating in this program will be required to enter into an agreement with the City that specifies the terms, duration and default provisions of the tax assistance;
- h) All applications and agreements must be approved by Council or Council's designate;
- i) Should the owner of the property default on any of the conditions in the by-law, deferred property taxes (plus interest) will become payable to the City, the Region and the Province;
- j) 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 Ministry of Environment (MOE).

6.5 Brownfields Tax Increment Grant (BTIG) Program

6.5.1 Purpose

The purpose of the Brownfields Tax Increment Grant (BTIG) Program is to encourage the remediation, renovation, adaptive re-use, expansion of existing buildings, and the 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 BTA Programs, and other non-environmental remediation costs typically associated with brownfield site redevelopment. This program applies only to properties requiring environmental remediation and/or risk assessment/management.

6.5.2 Description

"Eligible costs" for the BTIG Program are the costs of any action taken to reduce the concentration of contaminants on, in or under the property to permit a 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 removal/abatement of designated substances and hazardous materials, demolition, building renovation, building construction, on-site infrastructure upgrading, and Leadership in Energy and Environmental Design (LEED) program component costs. 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 BTIG exceed the total of these eligible costs.

The annual grant available under the BTIG 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 eligible costs of the project. Once the project is completed and 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 as follows:

- a) If the eligible property is inside the Downtown and Health and Wellness Cluster Community Improvement Project Area, the annual grant will equal 80% of the Municipal (City and Region¹⁵) property tax increase created by the project for up to 15 years after project completion, or up to the time when total grant payments equal total eligible costs, whichever comes first;

¹⁵ Authorization of Regional TIG is subject to approval of Regional Council or Regional Council's designate.

- b) If the eligible property is outside the Downtown and Health and Wellness Cluster Community Improvement Project Area, the annual grant will equal 80% of the Municipal (City and Region¹⁶) property tax increase created by the project for up to 10 years after project completion, or up to the time when total grant payments equal total eligible costs, whichever comes first; and,
- c) If the as-built project meets the minimum number of City Criteria as specified in **Appendix C**¹⁷, then the 80% in a) and b) above will be increased to 100%.

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. The amount of the grant will be recalculated every year based on the municipal tax increment every year.

The grant available under this program is generally paid to the original property owner who remediated the brownfield property, even if the property is subsequently sold once it has been remediated. The grant may be assigned 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 BTIG Application and Agreement.

An application can be made for the BTIG Program or the BTA Program, or both programs together. If an application for both the BTIG Program and the BTA Program has been approved, the annual grant available under the BTIG Program will begin when the benefits of the BTA Program end.

The annual grant available under the BTIG Program can be paid only once final building inspection and reassessment of the property has taken place, and property taxes have been paid in full for the year in which the grant is to be provided.

As a condition of approval of an application for a BTIG, 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 grant. This Agreement is also subject to approval by City Council or Council's designate.

In order to avoid any confusion or double dipping between the BTIG Program available under this CIP and TIG programs available under the City of Welland Downtown and Health and Wellness Cluster CIP and the City of Welland Niagara Gateway Economic Zone and Centre CIP, application can be made for only one of these TIG programs.

6.5.3 Program Requirements

Only owners of property within the 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:

¹⁶ Authorization of Regional TIG is subject to approval of Regional Council or Regional Council's designate.

¹⁷ Appendix C does not form an operative part of the CIP and may be changed from time to time by the City, as required, without amendment to the CIP.

- a) An application must be submitted to and approved by the City prior to the start of any demolition, remediation, risk management, building renovation, expansion and construction 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 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*;
 - 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 proposed remediation, including methods and technologies to be used;
- d) As a condition of the application, the City 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 City's satisfaction;
- e) The property shall be renovated 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:
 - i) a Phase II ESA, Designated Substances and Hazardous Materials Survey, Remedial Work Plan, and Risk Assessment not disbursed by the ESG Program or the BTA Program;
 - ii) environmental remediation, including the costs of preparing a RSC, not disbursed by the BTA Program;
 - iii) placing, compacting and grading of clean fill required to replace contaminated soils/fill disposed of off-site not disbursed by the BTA Program;
 - 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 BTA Program;
 - v) environmental insurance premiums not disbursed by the BTA Program;
 - vi) removal/abatement of designated substances and hazardous materials;
 - vii) demolishing buildings;
 - viii) building construction;
 - ix) building renovation and retrofit works; and,

- x) upgrading on-site infrastructure including water services, sanitary sewers and stormwater management facilities.
- g) 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;
- h) All applications and agreements must be approved by Council or Council's designate;
- i) If a building(s) erected on a property participating in this program is demolished before the grant period expires, all grant payments shall cease; and,
- j) 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 Ministry of Environment (MOE).

6.6 Brownfields Fees Grant (BFG) Program

6.6.1 Purpose

The purpose of the Brownfields Fees Grant (BFG) Program is to provide an additional incentive that complements and augments the other brownfield redevelopment incentive programs in this CIP and helps facilitate and spur adaptive re-use and new construction activity.

6.6.2 Description

An "eligible property" for the BFG Program is a property where an application has been approved for the BTA Program and/or the BTIG Program and all requirements of the applicable program have been met, including the approved eligible works and construction of the proposed building project.

The BFG Program will provide a grant equal to

- a) 100% of fees for all planning applications;
- b) 100% of the demolition permit fee; and,
- c) 100% of the building permit fee(s).

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.

In order to avoid any confusion or double dipping between the BFG Program available under this CIP and the Planning and Fees Grant Program available under the City of Welland Downtown and Health and Wellness Cluster CIP, application can be made for only one of these programs.

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).

7.0 MUNICIPAL LEADERSHIP STRATEGY

7.1 Purpose

The purpose of the Municipal Leadership Strategy (MLS) is to establish a framework for the City to:

- a) provide better support and leadership on brownfield redevelopment projects;
- b) communicate to the development and business community the brownfield redevelopment opportunities in Welland and the incentive programs available under the Brownfield CIP; and,
- c) improve the image of Welland.

7.2 Municipal Actions

The public sector actions contained in the MLS are designed to act as catalysts to leverage private sector investment on brownfield sites.

As per Section 28 of the *Planning Act*, once a Community Improvement Project Area has been designated and a CIP is approved, a municipality may:

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

Therefore, the City of Welland may exercise its full authority and powers under the *Planning Act*, the *Municipal Act, 2001*, and other applicable legislation to undertake any and all of the above-noted activities as part of its MLS on Brownfields.

The MLS includes a general program of municipal property acquisition, investment and involvement in pilot projects with the private sector to remediate and redevelop brownfield sites in Welland. Pilot projects can showcase the use of innovative tools such as alternative approaches to site remediation and risk management, new environmental remediation technologies, the use of environmental insurance, and/or energy efficient building technologies. The City may also issue Requests for Proposals (RFP's) on City owned brownfield sites, failed tax sale properties, and/or participate in public/private partnerships to clean up and redevelop publicly and privately owned brownfield sites.

It is recommended that the MLS be funded from part or all of the tax increment that is retained by the City as a result of properties participating in the BTIG Program, and any other funding as allocated by Council. The City can then use these funds to:

- a) conduct up-to-date environmental site assessments (Phase 1 ESA and Phase 2 ESA as required) on potentially contaminated municipally-owned properties that the City wishes to sell or dispose of;

- b) conduct environmental site assessments on properties controlled or acquired through the tax arrears sales process and conduct requests for proposals (RFPs) on failed tax sale brownfield properties;
- c) remediate, reuse, and improve municipally owned brownfield properties, including undertaking or participating in pilot projects to showcase innovative remediation approaches and technologies, the use of tools such as environmental insurance, and innovative energy efficiency technologies;
- d) strategically acquire, remediate, reuse and redevelop privately owned brownfield sites where required for municipal buildings and facilities;
- e) consider strategically acquiring and preparing brownfield sites for private sector remediation and/or redevelopment;
- f) fund brownfield pilot projects (public-private partnerships) to remediate, reuse, and redevelop privately and publicly owned brownfield properties;
- g) apply flexible zoning or pre-zone to strategically located brownfield sites (including City owned sites) to improve the marketability and potential value of these sites;
- h) educate and inform the public about the importance of brownfield redevelopment;
- i) explore options with Niagara College and Brock University to remediate and redevelop brownfield sites and/or collaborate on potential uses for these sites; and,
- j) implement a Marketing Strategy to regularly market the City's incentive programs and brownfield redevelopment opportunities available in Welland to brownfield market makers such as property owners, developers, potential end users, and support professionals in the City, Region and outside the Region of Niagara.

The MLS can also provide funding to allow the City to access funding available from the Federation of Canadian Municipalities (FCM) Green Municipal Funds (GMF) for environmental site assessment, risk assessment and remediation. The City was successful in obtaining a grant from FCM for the preparation of this Brownfield CIP. An appropriately funded MLS will better allow the City the financial means to leverage FCM funding to help implement this CIP.

The City has established a single point of contact for information on the brownfield financial incentive programs contained in this CIP. The role of this contact person is to administer applications for the financial incentive programs and to provide guidance and advice to developers and their support professionals involved in brownfield redevelopment.

7.3 Guidelines for Identifying Priority Brownfield Sites and Projects

When identifying and evaluating sites for acquisition, partnering or any of the other municipal leadership actions described above, the City should be strategic in its approach. Therefore, it is recommended that the City utilize the following criteria when evaluating and selecting sites and projects for purposes of the MLS:

- a) The site has a good or excellent location with high visibility and proximity to major transportation routes and/or the Welland Recreational Waterway;
- b) The site is commercially viable and marketable;
- c) The site is a “stigmatized” site, the cleanup and redevelopment of which will likely act as a catalyst for community improvement of the neighbourhood or employment area in which the site is located;
- d) The site is designated under the *Ontario Heritage Act* or exhibits significant heritage and architectural characteristics;
- e) The site is also in the Downtown and Health and Wellness Cluster Community Improvement Project Area;
- f) The site is surrounded in whole or in part by residential or other sensitive land uses;
- g) The site could be a “destination” site drawing large numbers of visitors/shoppers/diners and this would promote additional revitalization in the area where the site is located;
- h) The proposed project will result in the leveraging of significant private sector investment resulting in a significant increase in property tax revenues, employment and/or residential opportunities;
- i) The proposed project will showcase innovative remediation approaches, technologies, risk assessment approaches and/or Smart Growth design/building principles such as LEED building standards.

Note that a site or project does not need to meet all of these criteria to be considered a candidate for acquisition, partnering, or any of the other municipal leadership actions described in this MLS.

8.0 MARKETING STRATEGY

8.1 Purpose

It is important to the successful implementation of this CIP that the City's incentive programs and the brownfield redevelopment opportunities available in Welland be effectively communicated to property owners, developers, potential end users, and support professionals both within and outside the City. The purpose of this Marketing Strategy is to proactively and regularly advertise and market the City's brownfield redevelopment incentive programs and publicly and privately owned brownfield redevelopment opportunities in order to help implement the Brownfield CIP. Therefore, the City should implement a comprehensive Marketing Strategy to:

- a) market its brownfield redevelopment programs and brownfield redevelopment opportunities;
- b) provide information on obtaining financial assistance and advice from the City, including how to access program guides and application forms, as well as assistance and advice from staff on making application for the incentive programs;
- c) educate the public and other stakeholders on environmental site assessment and remediation processes;
- d) improve the image of Welland as a place to invest, do business and develop land and buildings; and,
- e) publicize the successful projects and positive long-term economic, environmental, and social benefits of projects that have taken advantage of the City's brownfield and other incentive programs.

8.2 Target Audience

The Marketing Strategy should be targeted to:

- a) Brownfield market makers, i.e., the key stakeholders who cause brownfield properties to be transacted, remediated and rehabilitated, including:
 - i) owners/managers of brownfield properties in Welland;
 - ii) potential developers of brownfield properties; and,
 - iii) potential end users;
- b) Support professionals, including:
 - i) lending institutions such as banks and trust companies;
 - ii) real estate professionals and organizations;
 - iii) environmental consultants and contractors;
 - iv) legal services industry;
 - v) planning consultants and architects; and,
- c) The general public, in order to enhance support for the CIP and specific brownfield redevelopment projects.

8.3 Marketing Tools

The marketing of the Brownfield 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:

a) Publications

- i) Produce a visually appealing brownfield incentive programs brochure similar to the one produced for the Downtown and Health and Wellness incentive programs;
- ii) The City's Priority Sites Assessment should be distributed to developers and investors (where the property owners agree), and the Priority Sites Assessment should be updated as required;
- iii) The brownfield incentive programs and brownfield redevelopment success stories should be profiled in planning and economic development publications, newsletters and other publications published by the City of Welland; and,
- iv) Applications for the incentive programs should be accompanied by Program Guides that provide a description of "how to apply" for the programs.

b) Web Site Materials

- i) The web page should be enhanced via the addition of the aforementioned brochure in pdf. format; and,
- ii) The Priority Sites Assessment should be added to the searchable commercial real estate listings on the web site (where the property owners agree).

c) Presentations to Brownfield Stakeholders and Support Professionals

- i) City staff should make periodic presentations on the Brownfield CIP, available incentives programs, and brownfield success stories to industry groups such as the development community, real estate, environmental and planning consulting, finance, insurance and legal professionals. This direct face-to-face marketing tool is a very important component of the CIP.

d) Attendance at Brownfield Conferences

City staff and councillors should attend brownfield conferences in Canada and the United States in order to further educate themselves on brownfield redevelopment and proactively market the City's brownfield redevelopment programs and opportunities utilizing the above-noted publications and materials.

e) Media Releases

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

f) Video

Produce a short video that explains all three of the City's CIPs and the programs available under each one, including how to apply, program requirements, and steps in the approvals process.

8.4 Key Messages

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

- a) Brownfields are vacant or underutilized sites that may have real or perceived contamination problems. Environmental site assessments should be completed on these sites to determine the type and extent of soil and groundwater contamination. The City of Welland offers grants to assist with the cost of these studies;
- b) The impediments to brownfield redevelopment can be overcome by the use of innovative approaches to planning, remediation, and the use of enhanced financial incentive programs available from the City to promote brownfield remediation and building renovation and redevelopment;
- c) The City's Brownfield CIP now offers an enhanced Tax Increment Grant Program for brownfield properties in the Downtown and Health and Wellness Cluster CIPA with up to 15 years of financial assistance available;
- d) The cleaning up and redevelopment of brownfields results in improvements in environmental quality, human health and economic growth;
- e) Brownfields represent a significant economic and development opportunity in Welland with most brownfield redevelopment opportunities located in close proximity to the Welland Recreational Waterway and the Downtown;
- f) Brownfield redevelopment is Smart Growth because it efficiently uses existing services and reduces urban sprawl into prime agricultural areas and its associated costs. Brownfield redevelopment will help the City of Welland and the Region of Niagara to achieve growth management goals;
- g) Brownfield reinvestment brings economic activity to derelict and underused sites. It generates employment and increased property tax revenues for the City of Welland and the Region of Niagara;
- h) Brownfield redevelopment can revitalize blighted residential neighbourhoods and employment areas, resulting in an enhanced quality of life for the residents of Welland;
- i) The City of Welland is being proactive in encouraging reinvestment in brownfield sites by implementing brownfield supportive planning policies, offering financial incentives, implementing a municipal leadership strategy and working with developers of brownfield sites to expedite the development approvals process on these sites;

- j) The City wants to find new opportunities and partnerships to deal with brownfields and the City is looking for interest from all types of developers and entrepreneurs (big and small); and,
- k) The City's incentive programs have been very successful, attracting large employers such as the GE Brilliant Factory and Northern Gold Foods, as well as assisting other local employers and developers of residential, commercial and mixed use properties with their development projects.

9.0 MONITORING PROGRAM

9.1 Purpose

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

9.2 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 Welland. Therefore, monitoring of the uptake and performance of the incentive programs should be done on a regular basis, and the results of the monitoring should be utilized to help ensure that the incentive programs be as 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 of Welland on an individual project and aggregate basis for the incentive programs and the MLS. As well, the qualitative feedback received from users of the financial incentive programs should also be considered. It is important that these results of the monitoring program be utilized to help ensure that the incentive programs and the MLS be as effective as possible.

The information collected through the Monitoring Program should be utilized to provide annual reports to Council on the amount of private sector investment being leveraged by the municipal incentive programs and the MLS and the economic benefits associated with private and public sector brownfield redevelopment projects. As well, information obtained through the Monitoring Program should be used by the City 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 being achieved.

From a Smart Growth perspective, the City should attempt to monitor the results of the programs in Figure 3 in terms of environmental, financial and social benefits. For example, it is important to highlight environmental and health threats that are removed through the remediation and risk management of contaminated sites. The increase in long-term property tax revenues from a brownfield redevelopment project can be compared to the total municipal financial incentive provided to the project to determine which projects are providing the highest return on investment. The cost savings associated with not having to extend public services into greenfield areas should be monitored. Increases in use of public transit and improvements in property values and social conditions in neighbourhoods where brownfield redevelopment projects are taking place should also be monitored.

Figure 3 Variables to be Monitored

Program	Variable
ESG Program	<ul style="list-style-type: none"> - Property location - Number of applications - Type of ESA (Phase II, DS&HM Survey, Remedial Work Plan, or Risk Assessment) - Cost of study - Amount of ESG - Number of ESG applications leading to BTA and BTIG applications, and/or actual environmental remediation/redevelopment projects
BTA Program	<ul style="list-style-type: none"> - Property location - Number of applications - Eligible remediation cost - Increase in assessed value 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 - Residential units/sq.ft. rehabilitated or constructed - \$ Value of private sector investment leveraged - Jobs created/maintained - Number and \$ amount of program defaults - Time required to approve complete application
BTIG Program	<ul style="list-style-type: none"> - Property location - Number of applications - Eligible remediation cost - Increase in assessed value of participating properties - Estimated and actual \$ amount of TIG provided - Hectares/acres of land remediated and redeveloped - Industrial/commercial space (sq.ft.) rehabilitated or constructed - Residential units/sq.ft. rehabilitated or constructed - \$ Value of private sector investment leveraged - Jobs created/maintained - Number and \$ amount of program defaults - Time required to approve complete application
BFG Program	<ul style="list-style-type: none"> - Number, type and \$ value of fees grant by fee type - Industrial/commercial space (sq.ft.) rehabilitated or constructed - Residential units/sq.ft. rehabilitated or constructed - \$ Value of building permit fees paid - \$ Value of building permits issued
MLS	<ul style="list-style-type: none"> - Funding amount by project type and purpose - Amount of other government funding leveraged - Increase in municipal and education property taxes of participating properties - Hectares/acres of land remediated and redeveloped - Industrial/commercial space (sq.ft.) rehabilitated or constructed - Residential units/sq.ft. rehabilitated or constructed - \$ Value of private sector investment leveraged - Jobs created/maintained - Number and \$ amount of program defaults

9.3 Program Adjustments

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

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. Welland, Ontario.

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

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APPENDIX A

Smarter Niagara Incentive Programs

- 1) Reduction of Regional Development Charges for Brownfield and Smart Growth projects as per the applicable Regional Development Charges By-law (2017-68).
- 2) Property Rehabilitation and Redevelopment Tax Increment Funding Program
- 3) Building and Facade Improvement Grant/Loan Program
- 4) Residential Grant/Loan Program
- 5) Heritage Restoration and Improvement Grant/Loan Program
- 6) Environmental Assessment Study Grant Program
- 7) Public Domain Incentives Program

APPENDIX B

Welland Official Plan

Community Improvement Plans Policies

7.10 COMMUNITY IMPROVEMENT PLANS

The *Planning Act* allows municipalities to identify Community Improvement Project Areas, prepare Community Improvement Plans, and provide incentive programs which stimulate redevelopment of lands as a means to maintain the vitality of the municipality.

7.10.1 Downtown Community Improvement Plan

7.10.1.1 Goals

The goal of community improvement in the Downtown is to reinforce the importance of the Downtown, aid in stimulating private sector redevelopment, and guide private sector development and redevelopment.

7.10.1.2 Programs, Eligibility and Funding

The Downtown CIP may offer a range of programs, including, but not limited to:

- i. Facade Restoration and Improvement Loan Program;
- ii. Development Charge Waiver/Exemption Program;
- iii. Refund of Local Planning and Building Fees Program
- iv. Residential Conversion and Intensification Loan Program;
- v. Property Rehabilitation and Redevelopment Tax-Increment Grant Program;
- vi. Parking Requirements Reduction Program.

The Downtown CIP will describe the eligibility criteria for obtaining funding through any of the CIP's programs. The program funding will be established by Council, but shall not place a burden on municipal finances.

7.10.2 Brownfield Community Improvement Plan

7.10.2.1 Goals

The goal of community improvement on brownfield lands is to promote the remediation, rehabilitation, adaptive re-use, redevelopment and overall improvement of brownfield sites.

7.10.2.2 Programs, Eligibility and Funding

The Brownfield CIP may offer a range of programs, including, but not limited to:

- i. Environmental Site Assessment Grant Program;
- ii. Brownfields Tax Assistance Program; and,
- iii. Brownfields Rehabilitation Grant Program.

The Brownfield CIP will describe the eligibility criteria to obtain funding through any of the CIP's programs. The program funding will be established by Council, but shall not place a burden on municipal finances.

7.10.3 New Community Improvement Plan Areas

7.10.3.1 Criteria for New Areas

In considering the establishment of a new Community Improvement Plan Area, the City will consider any of the following criteria:

- i. Conditions of existing buildings;
- ii. Land use issues;
- iii. Aesthetic issues;
- iv. Transportation or infrastructure issues;
- v. Natural or human-made environmental issues;
- vi. Social or community issues;
- vii. Economic issues; and,
- viii. Any other relevant issues which create barriers to the repair, rehabilitation or redevelopment of underutilized or dilapidated land/buildings.

7.10.3.2 Criteria for New Community Improvement Plans

New Community Improvement Plans shall contain a statement of purpose, goals, objectives, a description of the Community Improvement Project area, a description of all programs and/or projects, an implementation plan, and a technical appendix justifying the delineation of the area and the need for the programs. The preparation and adoption of new Community Improvement Plans shall meet the minimum requirements of the *Planning Act* for public consultation.

APPENDIX C

Criteria for Bump-Up of BTIG from 80% to 100%

These criteria are listed below and are the same as the criteria specified in Section 21 a) of Development Charges By-law No. 2104-75. In order to achieve the bump-up in the annual grant available under the BTIG Program, in the opinion of the City, the as-built project must include at least 3 of the following 6 features:

- 1) "Intensification of an existing use" meaning redevelopment or building addition so as to add floor area and/or a residential unit or units;
- 2) "Creation of mixed uses" meaning redevelopment, addition or conversion so as to add a new compatible use or uses to a building or property. "Creation of mixed uses" also means new development that proposes a mixed use building or a mix of uses on the site;
- 3) "Contribution towards the creation of a walkable neighbourhood character" meaning development, redevelopment, addition or conversion within a neighbourhood context that features one or more of the following: safe and clearly demarcated pedestrian access to and within the development site, building orientation and pedestrian access oriented toward the street, site and building access directly from the street without requiring passage across driveway or parking area, street-oriented building facade that features fenestration and entranceways to create a sense of permeability and movement between the street and the building interior, contribution to the quality of the public space on the street by the provision of space for public assembly, street furniture, artworks and/or landscaping;
- 4) "Creation of a range of housing opportunities and choices" meaning development, redevelopment, addition or conversion that adds multiple-unit housing types to the housing stock;
- 5) "Reduced setbacks from roadways" meaning development, redevelopment or conversion that places the building facade at the front lot line or closer to the street than the mid-point between the street line and the existing building. Where there is an existing building line along the block-face that is set back from the street line, "reduced front setbacks from roadways" means placing the building facade closer to the street line than the mid-point between the street line and the established building line;
- 6) "Energy Conservation Measures and Environmental Management Efforts," meaning development and redevelopment that features one or more of the following:
 - LEED Certification;
 - Thermal or Ground Source Heating, Use of Alternative Energy, LED Lighting Technology;
 - Intensive landscaping which may assist, for example, in stormwater management;
 - Restoration of natural environment, habitats and heritage features;