



WELLAND BROWNFIELD CIP UPDATE

PUBLIC MEETING
JUNE 19, 2018

- Background and Purpose
- Methodology
- Review of Existing Brownfield CIP Programs
- Stakeholder Input
- Updated Brownfield CIP, including:
 - Enhanced Incentive Programs;
 - Enhanced Municipal Leadership and Marketing Strategy
- Next Steps

Background and Purpose

- Background
 - Current Brownfield CIP has been in place since 2007.
 - Brownfield CIP is dated and required review and updating.
 - City obtained a grant from the FCM Green Municipal Fund and funding from the Region of Niagara for the Brownfield CIP update.
- Purpose
 - Identify key needs, gaps, and issues with regard to existing incentive program content and administration and existing municipal leadership and marketing strategies.
 - Update the CIP to better address needs and help achieve the goals for brownfield redevelopment in Welland.

- CIP Review and update commenced in 2017, including:
 - Review of existing Brownfield CIP and results (Jul/17);
 - Review of Best Practices in other municipalities (Aug/17);
 - Interviews with City Staff and Key Stakeholders (Sep/17);
 - Preparation of CIP update recommendations (Oct-Dec/17)
 - Presentation of CIP update recommendations at Stakeholder Workshop and refine recommendations based on input from stakeholders (Jan/18);
 - Presentation of Draft CIP to General Committee of Council (Feb/18)
 - Finalization of Draft CIP and circulation to prescribed agencies (Apr/18)
 - Final revisions to CIP made based on agency comments (May/18)

Review of Existing Brownfield CIP Programs

1. Environmental Site Assessment (ESA) Grant Program
 2. Brownfields Tax Assistance Program (TAP)
 3. Brownfields Rehabilitation Grant (TIG) Program
 4. Brownfields Planning and Building Permit Fees Refund Program
- Findings of Program Review:
 - ✓ Overall, with exception of the Rehabilitation Grant Program, Welland's brownfield incentive programs are still competitive;
 - ✓ Welland is one of only a few municipalities in Ontario that offer both a DC Reduction (up to 100%) and a TIG for brownfields.
 - ✓ Uptake of ESA Grant program has been good, but uptake of the TIG and TAP Programs has been less than anticipated.
 - ✓ Low uptake partially a result of some brownfield sites using Downtown and H&W Cluster CIP or Gateway CIP TIG Programs instead of Brownfield CIP TIG Program.

1. Environmental Study Grant (ESG) Program

- Eligible studies – added Designated Substances and Hazardous Materials Survey.
- Increased maximum grant for 1 study from \$15K to \$20K.
- Increased maximum grant for 2 studies from \$25K to \$35K.
- Two (2) cost estimates for study must be submitted and amount of grant will be based on lower cost estimate, or actual cost, whichever is less.
- Mandatory that all applicants submit a letter of intent to redevelop property and a preliminary development plan.
- All environmental studies (except RA/RMP) must be submitted to the City within 2 years of the date the ESA Grant application is approved.

2. Brownfields Tax Assistance (BTA) Program

- Rather than freeze City/Region property taxes for 5 years and Provincial taxes for 3 years, cancel City/Region/Provincial property taxes for 3 years, or up to point where tax assistance equals total of actual eligible costs, whichever comes first.
- Regional and Provincial participation is subject to approval by the Region and Province, respectively.

3. Brownfields Tax Increment Grant (TIG) Program

- Added the following to Eligible Costs :
 - ✓ Removal/abatement of designated substances and hazardous materials (qualifies as a stand-alone cost even if no soil/ groundwater remediation required); and,
 - ✓ Construction costs of building(s).
- Deleted the following from Eligible Costs:
 - ◇ Constructing/upgrading off-site infrastructure including roads, water services, sanitary sewers, stormwater management facilities, electrical and gas utilities.

3. Brownfields Tax Increment Grant (TIG) Program (Cont'd)

- Replaced current up to 10 year annual TIG tied to level of LEED certification with the following:
 - a) If property inside Downtown and H&W Cluster CIPA, annual grant = 80% of City/Region property tax increase for up to 15 years or up to point where total grant payments equal total of actual eligible costs, whichever comes first.
 - b) If property outside the Downtown and H&W Cluster CIPA, annual grant = 80% of City/Region property tax increase for up to 10 years or up to point where total grant payments equal total of actual eligible costs, whichever comes first.
 - c) If project achieves at least 3 of the City's 6 DC Exemption criteria, the 80% TIG in a) and b) above is increased to 100%.

4. Brownfields Fees Grant (BFG) Program

- Replaced current building permit fee grant equal to “50% if no LEED, 65% if LEED, etc...with “100% of building permit fees”.

- Updated CIP recommends that the City:
 - ✓ Conduct ESAs on potentially contaminated properties it wishes to sell;
 - ✓ Consider strategically acquiring, remediating, reusing privately owned brownfield sites where required for municipal buildings and facilities;
 - ✓ Consider strategically acquiring, remediating and preparing privately owned brownfield sites for redevelopment;
 - ✓ Apply flexible zoning or pre-zoning to strategically located brownfield sites (including City owned sites) to improve marketability/value.
 - ✓ Publicize long-term economic, environmental and social benefits of projects that have taken advantage of the City's incentive programs;
 - ✓ Market that there is now an additional benefit for brownfield redevelopment projects in the Downtown and H&W Cluster CIPA.
 - ✓ Produce a visually appealing Brownfield Incentive Programs brochure similar to the existing Downtown and H&W Cluster brochure; and,
 - ✓ Produce a short video that explains all three of the City's CIPs and the programs available under each one to potential applicants.

Next Steps

1. Council Adoption of CIP (By-law).
2. Clerk issues Notice of Adoption.
3. 20 Day Appeal Period.
4. Prepare Updated Program Guides and Application Forms.
5. Launch updated Brownfield CIP programs.