Hamilton

ERASE 2018 COMMUNITY IMPROVEMENT PLAN (CIP)

ENVIRONMENTAL REMEDIATION AND SITE ENHANCEMENT

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PART A BACKGROUND

1.0 INTRODUCTION

1.1 What Are Brownfields?

”Brownfields” are defined generally 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 (Provincial Policy Statement, 2014, pg. 39). The terms “brownfield redevelopment” and “brownfield development” are used interchangeably in this document to mean the environmental remediation, rehabilitation and development of brownfields.

The City of Hamilton is one of the oldest and most heavily industrialized cities in Canada. The physical legacy of this rich industrial heritage includes a large number of brownfields in Hamilton’s older industrial areas, downtown, and throughout the urbanized area.

1.2 The Benefits of Brownfield Development

Numerous Canadian and U.S. studies have highlighted the benefits of brownfield development at all geographic levels (national, regional and local). Most of the benefits of brownfield development tend to accrue at the local level because all development, be it brownfield or greenfield, is inherently local. The benefits of brownfield development include economic, environmental and social benefits.

1.2.1 Economic Benefits

The economic benefits of brownfield development include increased employment, income and tax revenues at all levels of government. For example, the Spencer Creek Village mixed use brownfield development project (500 residential units/40,000 sq.ft. commercial space) in Hamilton resulted in a long-term increase in annual property taxes collected by the City of approximately $1.76 million. This $95 million project also resulted in $12 million in personal income and $3.6 million in income tax revenues from on-site remediation and construction jobs, $6.6 million in GST revenues and $7.6 million in PST revenues (NRTEE, 2003, p. A-10-A11).

A 1998 Environment Canada study examined property values on Hamilton’s West Harbourfront near Bayfront Park, a 40 acre former brownfield site on Hamilton’s West Harbour that was developed and opened as an open space park by the City of Hamilton in 1994 (Environment Canada, 2004). The Environment Canada study compared property sale prices for houses within 3,500 feet of the park with sale prices for a control group of similar houses farther than 3,500 feet away from the park, for the period 1983-1996. For houses in the study group, the average house price was $41,942 in 1983, and this had risen to $90,068 by 1996, an increase of 115%. In the control group, the average house price in 1983 was $55,889, increasing to $74,434 by 1996, an increase of only 33%. The study found that approximately 18.5% of the aggregate 1996 residential property values in the study area were attributable to the development of the park and improvements in water quality. The study also concluded that the increased property values brought about by the park development could have contributed $560,000 more to the City of Hamilton’s property tax revenues in 1996, if market value assessment had been in place at the time.

A 1999 Council for Urban Economic Development (CUED) study of 107 completed brownfield projects found that 23,330 jobs were created or retained by the 90 job generating redevelopment projects. About 60% were new jobs with the remaining 40% being retained jobs that were expected to relocate from the area if the property was not redeveloped (CUED, 1999).

1.2.2 Environmental Benefits

Clearly, the environmental restoration and development of brownfield sites serves to remove threats to the health of workers and residents in our communities by improving the environmental quality of our soil and groundwater. But, 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 habitat (Regional Analytics, 2002).

A study of brownfield versus greenfield development examined 48 brownfield projects in six cities across the United States (Deason et. al., 2001). This study found that every acre of brownfield land developed would have required 4.5 acres of greenfield land. This demonstrates the potential of brownfield development to reduce the amount of greenfield land being consumed, thereby reducing urban sprawl and its associated negative environmental impacts including air and water pollution and the loss of 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.

Brownfield projects, be they employment or residential lands, can also reduce the distance between the location of employment areas and residential areas, and therefore transportation costs. For example, a 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 development (Hara Associates, 2003). Therefore, brownfield development can have the effect of reducing commuting needs, thereby reducing traffic congestion and air pollution.

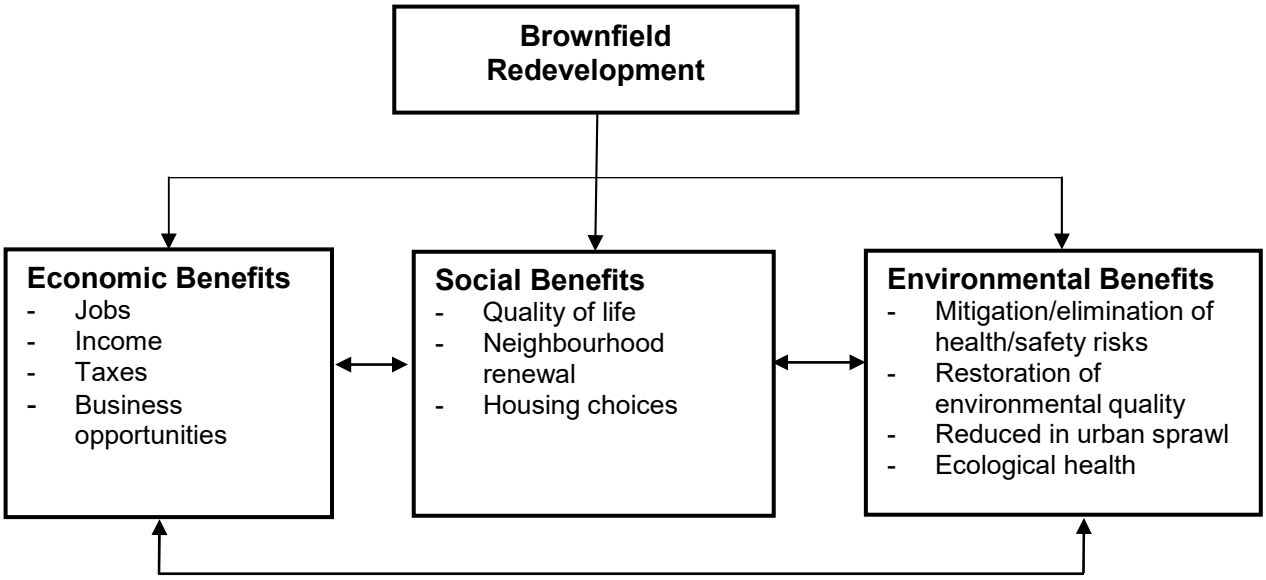
1.2.3 Social Benefits

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 renewal (NRTEE, 2003, p. 3). Numerous case studies reviewed by the NRTEE across Canada, including two in Hamilton, 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.

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

It has long been difficult for communities to bring brownfield sites back into productive use because of the high costs of remediation, uncertainty about the level of contamination at many sites, and environmental liability issues. More recently in the United States, and even in Canada, governments at all levels have begun taking action to encourage the cleanup and reuse of brownfield sites. This stems from a growing understanding of the importance of brownfields to the future of communities and the public benefits that can be realized through brownfield development. Also, governments at all levels have realized that traditional polices were not doing a very good job of bringing brownfield properties back into use (Bartsch et. al, 1997, pp. 1-2).

There are a myriad of complex and interconnected reasons for promoting brownfield development at all levels of government. This includes the significant economic, environmental and social benefits that accrue at all geographic levels, but particularly at the local level. This solid “public good” rationale supports government involvement at all levels in promoting brownfield development. These public goods include:

- increased tax assessment for the municipality and the Province;
- creation and retention of employment opportunities;
- utilization of existing infrastructure resulting in a reduction of urban sprawl and its related costs (hard and soft services);
- contribution toward the revitalization of particular areas and neighbourhoods; and, environmental restoration which can remove threats to the health of workers and residents.

In June of 1999, City Council directed that a Community Improvement Plan (CIP) to promote the Brownfield redevelopment of industrial and commercial properties in the City of Hamilton be prepared. The Plan was called the Environmental Remediation and Site Enhancement (Erase) Community Improvement Plan (CIP) and was adopted by City Council in April of 2001 and approved by the Minister of Municipal Affairs and Housing in August of 2001. The Erase CIP applies to the Erase Community Improvement Project Area (2001) generally associated with Hamilton’s older

industrial area (see Appendix A). The ERASE CIP was expanded in April of 2005 for the improvement and enhancement of financial assistance programs contained in the ERASE CIP and to expand these programs to the full limits of the urbanized area of the City (see Appendix B). In 2010 the ERASE CIP was further amended adding a Remediation Loan Program (RLP), expansion to the ERG Programs well as increases to the ESG Program. The Erase CIP has been in place for approximately sixteen years and has been successful in providing the financial tools needed to promote the remediation and redevelopment of brownfield sites. The results of the ERASE CIP to date are presented in Section 5.0 on Previous Community Improvement Plans.

The purpose of the **Environmental Remediation and Site Enhancement - Revised (ERASE**) **Community Improvement Plan (CIP),** is to provide a comprehensive framework for the improvement and enhancement of financial assistance programs contained in the ERASE CIP, and the expansion of these programs to the full limits of the urbanized area of the City of Hamilton. As part of the adoption of this ERASE CIP (2005), the Erase CIP (2001) was repealed by by-law and replaced by this ERASE CIP (2005).

The programs contained in this ERASE CIP are designed to improve economic opportunities and environmental conditions not just in the older industrial area of Hamilton, but throughout the urban area.

2.0 LEGISLATIVE AUTHORITY AND PLANNING POLICIES

2.1 Legislative Authority

Section 106 of the *Municipal Act, 2001* provides that a municipality 'shall not assist directly or indirectly any manufacturing, business or other industrial or commercial enterprise through the granting of bonuses for that purpose'. However, an exception is made in Section 106(3) of the *Municipal Act* for municipalities exercising powers under Section 28 (6) or (7) of the *Planning Act* or under Section 365.1 of the *Municipal Act*. This exception provides the legislative basis for the financial assistance programs contained in Section 7.0 of this Plan.

2.2 Section 28 – 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". Once this is done, a municipality may prepare and adopt a "community improvement plan" for the community improvement project area. Once the community improvement plan is approved by the Province, the municipality may exercise any power or authority under Section 28(6) or (7) of the *Planning* Act in order that the exception provided for in Section 106(3) of the *Municipal Act* will apply.

According to Section 28(1) of the *Planning Act*, a "community improvement project area" is defined as "a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason". Section 3.0 of this Plan presents the justification for designating the entire Urban Area of the City of Hamilton as the ERASE Community Improvement Project Area for the purposes of promoting brownfield redevelopment in the City of Hamilton. The designation of the ERASE Community Improvement Project Area conforms to the definition of "community improvement project area" under Section 28(1) of the *Planning Act*.

For the purposes of carrying out a community improvement plan that has come into effect, a municipality may engage in the following within the community improvement project area:

a) acquire, hold, clear, grade or otherwise prepare land for community improvement (28(3));

b) construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan (28(6));

c) sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan (28(6)); and,

d) make grants or loans to the registered owners, assessed owners, and tenants, 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 cost of rehabilitating such lands and buildings in conformity with the community improvement plan (28(7)).

Section 28(7.1) specifies that the total of all grants and loans made under Section 28(7) of the *Planning Act* and tax assistance provided under Section 365.1 of the *Municipal Act* in respect of the land and buildings shall not exceed the cost of rehabilitating the land and buildings. Section 8.0 of this Plan presents the programs which the City of Hamilton, through adoption and Provincial approval of this Plan, will implement within the Community Improvement Project Area. These programs contain eligibility criteria and financial assistance capping safeguards that will ensure that the total of all grants, loans and tax assistance provided in respect of any lands and buildings shall not exceed the costs of rehabilitating said land and buildings.

2.3 Section 365.1 – Municipal Act

Section 365.1(2) and (3) of the *Municipal Act* allows municipalities to pass a by-law providing tax assistance to an eligible property in the form of a freeze or cancellation of part or all of the taxes levied on that property for municipal and school purposes during the rehabilitation period (maximum 18 months from the date that tax assistance begins) and the development period of the property. The total tax assistance provided on an eligible property cannot exceed the cost of any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the *Environmental Protection Act*.

An "eligible property" is a property for which a phase two environmental site assessment (ESA) has been conducted, and,

a) that is included under Section 28 of the *Planning Act* in a community improvement project area for which a community improvement plan is in effect containing provisions in respect of tax assistance, and

b) that as of the date the phase two ESA was completed, did not meet the required standards under subparagraph 4i of Section 168.4(1) of the *Environmental Protection Act* to permit an RSC to be filed in the Environmental Site Registry.

Section 365.1 of the *Municipal Act* operates within the framework of Section 28 of the *Planning Act*. This means that a municipality with an approved community improvement plan in place that contains provisions specifying tax assistance will be permitted to provide said tax assistance for municipal and school purposes. Again, Section 28(7.1) specifies that the total of all grants and loans made under Section 28(7) of the *Planning Act* and tax assistance provided under Section 365.1 of the *Municipal Act* in respect of the land and buildings shall not exceed the cost of rehabilitating the land and buildings.

2.4 Provincial Policy Statement (PPS) (2014)

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

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

The PPS also supports Smart Growth through urban growth management. For example, Section 1.1.3.3 of the PPS states "planning authorities shall identify and promote opportunities for intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs". Therefore, the PPS supports brownfield redevelopment as a way to achieve the goal of promoting intensification and redevelopment. Other policies in the PPS (Sections 1.1.1 a), 1.1.1 h) and 1.6.3) support the management of growth to achieve efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term. The redevelopment of

brownfields has a role to play in this regard.

2.5 Growth Plan for the Greater Golden Horseshoe (2017)

The Growth Plan envisages increasing intensification of the existing built-up area, with a focus on urban growth centres, intensification corridors, major transit station areas, brownfield sites and greyfields. The ERASE Community Improvement Plan would contribute to the increased intensification in the built-up area.

The vision for the Greater Golden Horseshoe (GGH) is grounded in the following principles that provide the basis for guiding decisions on how land is developed; resources are managed and public dollars invested:

- Achieve complete communities that are designed to support healthy and active living
- Prioritize intensification and higher densities to make efficient use of land and infrastructure and support transit viability.
- Provide flexibility to capitalize on new economic and employment opportunities as they emerge, while providing certainty for traditional industries, including resource-based sectors.
- Provide for different approaches to manage growth that recognize the diversity of communities in the *GGH*.
- Protect and enhance natural heritage, hydrologic, and landform systems, features, and functions.
- Conserve and promote cultural heritage resources to support the social, economic, and cultural well-being of all communities, including First Nations and Métis communities.
- Integrate climate change considerations into planning and managing growth such as planning for more resilient communities and infrastructure – that are adaptive to the impacts of a changing climate – and moving towards low-carbon communities, with the long-term goal of net-zero communities, by incorporating approaches to reduce greenhouse gas emissions.

Further, providing opportunities for businesses and residences to locate in the Greater Golden Horseshoe is fundamental to using land wisely and ensuring a prosperous economic future.

2.6 Regional Municipality of Hamilton-Wentworth Official Plan

(The Official Plan for the former Regional Municipality of Hamilton-Wentworth, “Towards a Sustainable Region”, clearly recognizes the need to make more productive use of existing municipal urban infrastructure through redevelopment and re-use of vacant and/or underutilized lands and buildings. Section 3.1.1 of the Hamilton-Wentworth Official Plan states:

> Mixed forms of development within an Urban Area is preferable to widespread, low density residential development and scattered rural development because growth can be accommodated by building on vacant or redeveloped land, without taking up agricultural lands or natural areas.

Section C 3.1.5 of the Hamilton-Wentworth Official Plan states:

> Older industrial areas in the Region, specifically the Bayfront Industrial Area in Hamilton, have witnessed decreasing employment levels. Eventually there may be pressure or a need to redevelop this land, either for newer industrial/business uses or for other uses. Therefore, land use plans must begin to reflect this economic restructuring.

Amendment No. 11 to the Official Plan of the former Regional Municipality of Hamilton Wentworth was passed on February 26, 2003. This amendment added a new Section 6A on Community Improvement Policies to Part D – Implementation, Section 6 – Secondary/Neighbourhood Plans of the Official Plan of the former Regional Municipality of Hamilton Wentworth (see Appendix B). The primary purpose of this amendment was to add a new policy to the Official Plan to establish city- wide community improvement policies. These policies allow a range of community improvement issues such as brownfields and affordable housing to be addressed across the entire urban area rather than just in small defined geographic locations. Section 6A.1 clearly permits that the entire Urban Area or any part of the Urban Area may by by-law be designated as a community improvement project area.

Section 6A.2 sets out the characteristics or criteria to be used when designating community improvement project areas (see Appendix B). Section 6A.2 requires only that one or more of the following characteristics be present:

a) building stock or property in need of rehabilitation;

b) buildings and structures of heritage or architectural significance;

c) encroachment of incompatible land uses or activities;

d) deteriorated or insufficient physical infrastructure such as, but not limited to, sanitary and storm sewers and water mains, public transit, roads/streets, curbs, sidewalks, street lighting and utilities;

e) deteriorated or insufficient community services such as, but not limited to public indoor/outdoor recreational facilities, public open space and public social facilities;

f) inadequate mix of housing types;

g) known or perceived environmental contamination;

h) deteriorated or insufficient parking facilities;

i) poor overall visual amenity of the area, including, but not limited to streetscapes and urban design;

j) existing Business Improvement Areas or potential for inclusion in a Business Improvement Area designation;

k) inappropriate road access and traffic circulation;

l) shortage of land to accommodate building expansion and/or parking and loading facilities;

m) other barriers to the improvement or redevelopment of underutilized land or buildings; and,

n) any other environmental or community economic development reasons for designation.

As discussed in Section 3.0, properties in the older industrial area exhibit several of these characteristics, including:

- known or perceived environmental contamination;
- buildings in need of rehabilitation;
- encroachment of incompatible land uses;
- a shortage of land to accommodate building expansion;
- deteriorated infrastructure; and,
- poor overall visual amenity.

Brownfield properties are also spread throughout other parts of the urban area of Hamilton and, as

discussed in Section 3.0, these brownfield properties and areas also exhibit some of the same characteristics as brownfield properties in the older industrial area, including:

- known or perceived environmental contamination;
- buildings in need of rehabilitation;
- encroachment of incompatible land uses;
- a shortage of land to accommodate building expansion; and,
- poor overall visual amenity.

Finally, Section 6A.2 n) also allows designation of a community improvement project area for any other environmental or community economic development reason. Section 1.0 outlines numerous environmental, economic and social reasons (benefits) for the designation of the urban area as a community improvement project area for the promotion of brownfield redevelopment.

Therefore, the designation of the entire Urban Area of the City of Hamilton as the ERASE Community Improvement Project Area meets the criteria for designation of a community improvement project area specified in the Official Plan of the former Regional Municipality of Hamilton Wentworth.

Section 6A.3 of the Official Plan outlines the actions which the City can take through community improvement plans. This includes:

a) provision of grants and loans;

b) acquisition of land or buildings and subsequent clearance, rehabilitation, redevelopment or resale of these properties or other preparation of land or buildings for community improvement; and,

c) other municipal actions, programs or investments for the purpose of strengthening and enhancing neighbourhood stability, stimulating production of a variety of housing types, facilitating local economic growth, improving social or environmental conditions, or promoting cultural development.

2.7 Urban Hamilton Official Plan

The City of Hamilton Urban Official Plan has numerous policies directed towards achieving an efficient, well planned and supportive approach to land use planning. With particular regard to Community Improvement Plan's Policy 1.15.1 is considered applicable:

Community Improvement shall be carried out through the designation, by Council, of Community Improvement Project Areas and through the preparation and implementation of Community Improvement Plans pursuant to the *Planning Act*. It is the intent of Council that the entire *urban area* or any part of the *urban area* as defined in this Plan, and as subsequently amended, may by by-law be designated as a Community Improvement Project Area.

Policy 1.15.2 sets out the criteria to be used when designating community improvement project areas:

When designating Community Improvement Project Areas, one or more of the following characteristics may be present:

a) building stock or property in need of rehabilitation;

b) buildings and structures of heritage or architectural significance;

c) encroachment of incompatible land uses or activities;

d) deteriorated or insufficient physical infrastructure such as, but not limited to, sanitary and storm sewers and water mains, public transit, roads/streets, curbs, sidewalks, street lighting and utilities;

e) deteriorated or insufficient community facilities/services such as, but not limited to public indoor/outdoor recreational facilities, public open space and public social facilities;

f) inadequate mix of housing types;

g) inadequate affordable housing;

h) known or perceived environmental contamination;

i) deteriorated or insufficient parking facilities;

j) poor overall visual amenity of the area, including, but not limited to streetscapes and urban design;

k) existing Business Improvement Areas or potential for inclusion in a Business Improvement Area designation, provided such designation is in conformity with the Niagara Escarpment Plan;

l) inappropriate road access and traffic circulation;

m) shortage of land to accommodate building expansion and/or parking and loading facilities;

n) other barriers to the improvement or redevelopment of underutilized land or buildings; or,

o) any other environmental, social, or community economic development reasons for designation.

As discussed in Section 3.0, properties in the older industrial area and brownfields throughout the urban area of Hamilton exhibit several of these characteristics, including:

- known or perceived environmental contamination;
- building stock or property in need of rehabilitation;
- encroachment of incompatible land uses or activities;
- shortage of land to accommodate building expansion and/or parking and loading facilities; and,
- poor overall visual amenity of the area, including, but not limited to streetscapes and urban design.

With particular regard to the development and redevelopment of brownfield Sites Policy 3.1.5, is applicable:

> There are many complex and interconnected reasons for promoting and implementing brownfield *redevelopment*. There are significant and immediate economic, environmental and social benefits from regenerating these "legacy" properties. The City, in addition to other economic development objectives, shall pursue the *redevelopment* of brownfield sites and promote opportunities for employment and *residential intensification by:*
>
> a) continuing to liaise with other levels of government, agencies, and the private sector to endorse and amend existing legislation, regulations and standards, including the addressing of liability issues for land owners;
>
> b) undertaking studies to identify priority brownfield sites for redevelopment;
>
> c) providing the necessary financial assistance to developers and landowners to make the

redevelopment of brownfield sites a viable option; and,

d) ensure a wide variety of investment opportunities are available throughout the City and provide potential employment users with a range of alternative sites of various size in a variety of locations throughout the City.

The continuous review and improvement of the ERASE CIP will secure this policy intent, providing financial support in order to facilitate efficient development.

2.8 2016-2025 Strategic Plan

The Strategic Plan 2016-2025 is a detailed strategy intending to secure the vision of making Hamilton the 'best place to raise a child and age successfully'. The strategy's mission is 'To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

2.9 Central Neighbourhood Plan

The Central Neighbourhood Plan was adopted by City Council in 1999. This Plan generally designates the lands around the Downtown Secondary Plan area between Cannon Street and the Bayfront Industrial area from Queen to Victoria Street extending south between Victoria Avenue and Wellington Street to Main Street and includes a small area south of the downtown in the vicinity of James and John Streets, for mixed use with residential being a primary component.

The Central Neighbourhood Plan provides for:

i) open space connections to the waterfront through this area;

ii) compatibility of land uses, especially with adjoining residential areas; and,

iii) final determination of land uses to be done through a modified neighbourhood plan review.

2.9 Downtown Secondary Plan: Putting People First

The Downtown Secondary Plan was approved by Council on July 10, 2001. The Plan takes an innovative approach, focusing on the overall roles and physical form of the Downtown rather than dwelling on regulatory details. The intent of the Plan is to foster a dynamic mix of urban residential, commercial and institutional activities across the Downtown.

2.10 West Harbourfront Development Study

The West Harbourfront Development Study (WHDS) was an initiative to generate a vision to guide the future redevelopment of the West Harbourfront Area. This vision sees the West Harbourfront area as a mixed-use area with residential, commercial, cultural, park/open space and major attraction uses. Public use and enjoyment of the West Harbourfront Area is a primary objective of the WHDS. While the WHDS was received by Council, it does not have status as a land use plan for the area. A detailed Secondary Plan was developed for the West Harbour Area as part of the Setting Sail planning project.

2.11 Setting Sail

Setting Sail is the City's long-term planning project for Hamilton's West Harbour (see Figure 2
Setting Sail is the City's long-term planning project for Hamilton's West Harbour (see Figure 2 for West

Harbour Study Area). The West Harbour Area has witnessed tremendous change in recent years, led by the City's investments in Pier 4 and Bayfront Parks and the creation of the Waterfront Trail. The City of Hamilton and the Hamilton Port Authority (formerly the Hamilton Harbour Commissioners) also reached an agreement in 2000 on future land use that sees a separation of recreational uses in the West Harbour Area from industrial port uses in the East Harbour Area.

The main objective of the Setting Sail Study is to create a series of integrated plans that will guide investment and development in the West Harbour Area. The Setting Sail Study is broad and includes consideration of land use, transportation, infrastructure and urban design.

One of the specific elements of the Setting Sail Study is a strategy to realize the revitalization and conversion of older industrial areas in the West Harbour to non-industrial uses. In this context, there are a few remaining operational industrial uses in and near the Tiffany Block which is bounded by Bay, Stuart and Barton Streets and the relocation of these few remaining industrial uses to industrial areas outside the West Harbour Area would help facilitate redevelopment of the West Harbour Area for non-industrial uses.

Figure 2 – Setting Sail West Harbour Study Area

2.12 Planning for Future Land Use

With its existing nucleus of industrial users and 80-90% of its land in industrial use, most of the older industrial area will realistically remain zoned and used primarily for heavy industry and manufacturing. Suitably sized land parcels zoned for such purposes are becoming increasingly difficult to locate in Ontario because most municipalities are no longer zoning land for heavy or even limited heavy industrial uses. Yet, there continues to be a demand for heavy industrial and manufacturing type of land in the Hamilton area. This demand is best met in the older industrial areas due to the current existence of these types of uses in these areas and restrictive zoning in greenfield industrial areas. One of the main goals of this Plan is to promote the redevelopment of vacant, idled and underutilized industrial land in the older industrial area for new industrial and other employment uses that generate employment and economic benefits for the City and its residents.

There are opportunities in areas of transition within the older industrial area to convert industrial lands to other productive uses such as commercial, institutional, residential and parkland uses. This is particularly the case in the West Harbour Area, currently the subject of the Setting Sail Study. This area, west of Wellington Street, contains a mix of several large stable residential areas and several smaller areas containing existing and former industrial uses. The condition of the residential building stock in this area is much better than that in the smaller residential enclaves in the interior of the older industrial area as the residential area around the West Harbour has benefited greatly from its

proximity to Bayfront Park and Pier 4 Park.

The West Hamilton Industrial Area is also an area in transition. While currently zoned and designated for industrial use, it is a small area with no possibilities for expansion. It is bordered to the west by Highway 403 and to the east by a large residential area. Due to its small size, excellent location, and a recent major plant closure, this area is also a prime candidate for transition over time to non-industrial uses.

Consequently, in recognition of the Central Neighbourhood Plan, the WHDS, the agreement between the City of Hamilton and the Hamilton Port Authority, and the planning policies that form the Setting Sail Study, this Plan recommends that redevelopment in the older industrial area west of Wellington Street, i.e. the West Harbour Study Area, be targeted primarily for non-industrial uses, while redevelopment east of Wellington Street in the older industrial area be targeted primarily for industrial and commercial uses. With regard to the West Harbour Study Area, the programs in this Plan generally:

- assist the conversion of existing industrial uses to non-industrial uses and the relocation of existing industrial uses to industrial areas outside the West Harbour Area.

This will help to ensure that proposed land uses in the West Harbour Area that do not conform to the Central Neighbourhood Plan and the WHDS are in no way promoted, and are in fact discouraged, by the incentive programs in this Plan. This represents a realistic and balanced approach to future land use planning in the West Harbour Area.

The expansion of the community improvement project area to include the entire urban area provides considerable opportunity for brownfield redevelopment throughout the City. This will no doubt lead to the consideration of land use changes on brownfield properties through the *Planning Act* approval process. As with new development, all redevelopment projects will be evaluated on an individual basis, having regard for a number of policies and by-laws, including conformity with this Plan, the Official Plan, Zoning By-law, and all other City policies.

2.13 Summary of Planning Policies

The redevelopment and rehabilitation of the older industrial areas in the City of Hamilton is a key theme in the Urban Hamilton Official Plan. The use of financial tools to direct future urban development to curb urban sprawl and increased awareness of the potential for redevelopment and rehabilitation of contaminated brownfield sites are encouraged within the 2016-2025 Strategic Plan.

The Urban Hamilton Official Plan sets out the required framework as per Section 28 of the *Planning Act* for the preparation of a Community Improvement Plan (CIP) to promote the redevelopment of brownfields in Hamilton's older industrial areas and throughout the urban area. The designation of the entire Urban Area as the ERASE Community Improvement Project Area and the preparation, adoption and amendment of this ERASE CIP is in conformity with, and supported by, existing planning policies. Through its programs contained herein, this CIP also emphasizes particular land uses in various areas within the Community Improvement Project Area that are in keeping with future planned land uses.

3.0 CRITICAL NEEDS ANALYSIS OF BROWNFIELDS IN HAMILTON

3.1 The Geography of Brownfields in Hamilton

3.1.1 Older Industrial Area

The historic development of the City of Hamilton as a port city at the western end of Lake Ontario with good rail and road access resulted in the growth of Hamilton as one of Canada's major manufacturing centers. In the early 1900's, Hamilton's major steel producers (Stelco and Dofasco) located in the Bayfront Industrial Area where they had easy access to the port for importing raw materials and rail for exporting finished product. Canadian steel production becoming increasingly centered in Hamilton in the post-war years and the Bayfront Industrial Area expanded to just over 3,000 acres in size, largely through the placement of fill into Hamilton Harbour to create land for new industrial uses. The much smaller North Hamilton Industrial Area (70 acres), West Hamilton Industrial Area (250 acres) and part of the East Hamilton Industrial Area (65 acres) were also developed for industrial uses. Hamilton's older industrial area totals approximately 3,400 acres of land and forms the original ERASE Community Improvement Project Area for the ERASE Community Improvement Plan adopted and approved in 2001 (see Appendix B).

Significant structural changes in the post-war Canadian economy had far-reaching implications for steel and related industries, and of course, the Bayfront Industrial Area. Combined employment at Stelco and Dofasco increased steadily during the 1960's and 70's, peaking at approximately 30,000 in the late 1970's (Woods, Gordon and Co.1977). By 1990, this figure had dropped to 23,000 (Regional Municipality of Hamilton-Wentworth, 1990). Currently, this figure stands at approximately 12,500 (Human Resources Development Canada Web Site, 2003), or about 40% of what it was just 25 years ago. Related industries also suffered large employment losses with many smaller manufacturers downsizing and ceasing production altogether. The result has been a significant decrease in business activity and employment levels in Hamilton's older industrial area over the last 25 years. These economic changes have resulted in some property and building deterioration in the older industrial areas, and in some cases, property abandonment. Due to the placement of vast quantities of contaminated fill and contamination from former industrial uses in the Bayfront Industrial Area, this area now contains many of the city's brownfield sites. Preliminary estimates indicate that there are hundreds of vacant, idled and underutilized buildings and properties in the Bayfront Industrial Area. Some of these properties are not adequately secured and are routinely subject to trespassing and vandalism causing concern for public safety.

The building stock within the older industrial area is also older than the rest of the city. Many former industrial buildings lie abandoned, derelict and in a state of disrepair. These buildings also suffer from obsolescence in that they are not of sufficient ceiling height and internal configuration to meet modern manufacturing and warehousing requirements. Many of the properties on which these buildings stand can only be reused if these buildings are demolished. Other buildings have been torn down leaving only vacant lots. Because of past industrial use and the fact that much of this area is built on contaminated soils that were placed as fill, many of these properties may have some level of environmental contamination. But, the existence and extent of environmental contamination varies from property to property and cannot be determined without a thorough environmental site investigation of each property.

Many of the brownfield sites in the older industrial area are serviced by on site sewer and water lines that are over 60 years old. Many of these services have not been replaced and are simply not adequate for modern industrial/commercial uses, including modern fire suppression requirements. Therefore, there is often a need to remove and replace part or all of the on-site sewer and water services in the older industrial area.

3.1.2 West Harbour Area

In addition to the issues affecting the rest of the older industrial area as discussed above, redevelopment of the West Harbour Area for non-industrial uses is contingent upon conversion or relocation of the few remaining industrial uses in this area, and mitigation of the impacts of the C.N. Marshalling Yard. Some of the industrial uses in the West Harbour Area are viable industrial uses that could relocate to larger and more stable industrial areas and continue operation. However, the costs of relocation, such as moving equipment and machinery, particularly for large and well-established industrial manufacturers, may be prohibitive.

Also, the redevelopment of the West Harbour Area is complicated by the existence and operation of the 110 acre C.N. Rail Marshalling Yard which could present a land use compatibility issue with non-industrial uses in this area.

3.1.3 Rest of Urban Area

The older industrial area is certainly not the only area where brownfields exist in Hamilton. Downtown Hamilton has been the location of numerous past uses that could have potentially caused soil and groundwater contamination. This includes asphalt plants, petroleum storage, automobile wrecking yards, blacksmiths, textile mills, paint manufacturers, printers, dry cleaners and electroplaters. Some of these uses still exist in Downtown Hamilton. Several recent developments on properties in Downtown Hamilton had to remediate soil and groundwater contamination and several proposed downtown developments have been abandoned or delayed indefinitely as a result of environmental contamination.

As the City of Hamilton grew outward, older industrial uses in and near the downtown core were replaced by commercial and other uses. Gasoline and automobile service stations began to proliferate to serve an expanding and suburbanizing population increasingly dependent on automobiles as their primary mode of transportation. Business and personal services such as dry cleaners began to move farther from the downtown. Industrial and manufacturing uses such as metals manufacturers, glass manufacturers, chemical manufacturers, and concrete plants, were also established in areas farther from Downtown Hamilton.

As each of the former six municipalities which now make up Hamilton grew, similar industrial and commercial uses were established (on a much smaller scale) and the same pattern of outward expansion of their central areas was repeated. For example, a small manufacturing area with a steel foundry was established in downtown Dundas in the late 1800’s. Individual uses that could have caused contamination, e.g. blacksmith shops, were established in Ancaster. Several of the former municipalities, including Stoney Creek, contain automobile wrecker’s yards. Even several elementary and high school sites that were recently redeveloped for residential purposes were found to have underground and above ground fuel oil storage tanks. Clearly, all of these uses can and, in some cases, did cause soil and groundwater contamination. Therefore, brownfield sites are now found in Downtown Hamilton, in the downtowns of the former municipalities, and they are also spread throughout the urban area, including properties once used for industrial and commercial uses, such as gasoline and automobile service stations.

Another source of brownfield sites in Hamilton are former waste disposal sites. A recent inventory of waste disposal sites confirms that there are no less than 44 known waste disposal sites in the City of Hamilton (see Figure 3). Most of these sites have been closed for more than 25 years. These are only the known sites. There are most certainly more private waste disposal sites for which records do not exist.

Figure 3 clearly shows that waste disposal sites are spread throughout the urban and rural area, with

a concentration of sites in the Bayfront Industrial Area, West Hamilton and the Community of Dundas. Several of these waste disposal sites have been redeveloped as parks and the City also approved a proposal for a large industrial development on one of these former waste disposal sites. This industrial development proposal is supported by an Erase Redevelopment Grant which will be used by the new owner to assist with remediation costs on the site.

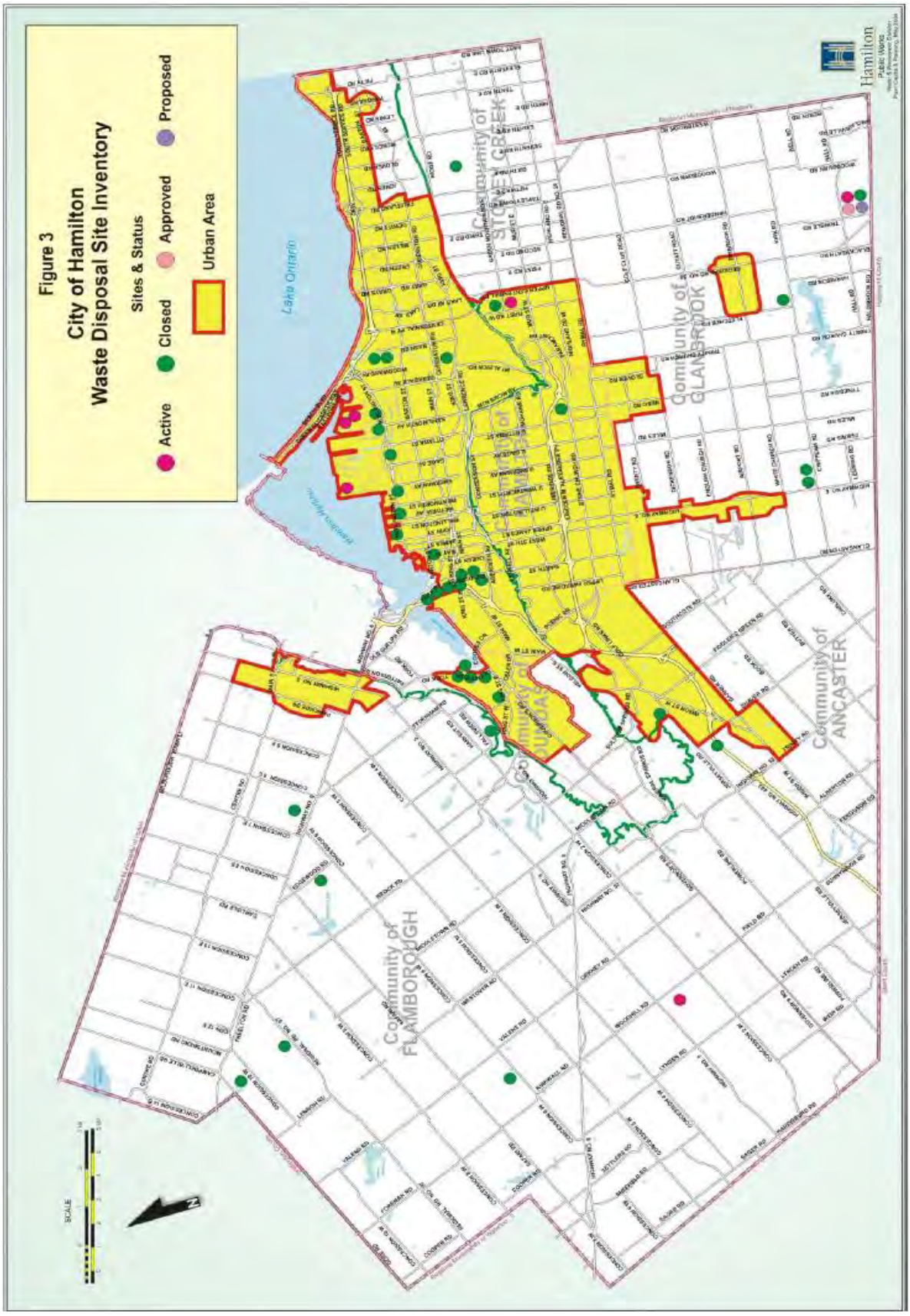
3.1.4 Historical Land Use Inventory

In late 2007, the City of Hamilton retained MMM Group Limited to complete a Historical Land Use Inventory (HLUI). The City identified the need for a comprehensive GIS-based inventory of potential historically environmentally-impaired properties that was to become a resource to the efficient and consistent implementation of the City's brownfield redevelopment programs. The key goals of the HLUI was to: provide key information to the City's property management database concerning historical environmental conditions that had not been previously available at a central location; serve as a fundamental tool for use by City staff in planning and conducting the everyday aspects of managing properties within the City in a thoughtful and conscientious manner; and ensure that management staff have the information necessary for knowledgeable decisions concerning brownfield redevelopment planning.

The actual project consisted of reviewing numerous sources of historical environmental information with the intent to identify properties of interest and potential contaminants associated with them. While some data came from primary sources that confirm impairment or remediation of a property (e.g. Phase II Environmental Site Assessment reports or Records of Site Conditions), much of the require data needed to be interpreted from secondary sources (e.g. fire insurance plans, land use designation, etc.) combined with the use of industry-specific environmental databases to infer the potential contaminants that may be associated with historical onsite activities.

Once the required data was documented, it was transposed into a Historical Environmental Database (HED). In total, the study area encompassed approximately 131,000 individual properties. Of those properties studied throughout the entire urban area of the City, 91 properties were identified as vacant "true" brownfield sites, mostly in the Older Industrial Area (Area 2). 1386 properties were identified as having a potential for some contamination based on the historical use of the property spread throughout the Downtown (Area 4) and the Rest of the Urban Area (Area 1).

Figure 3 – City of Hamilton Waste Disposal Site Inventory



3.2 Types of Assistance Required

Due to the costs of remediating brownfield sites, they are more expensive to develop than greenfield sites. Even a moderately contaminated brownfield site is significantly more expensive to develop than a greenfield site. For example, costs were compared for developing a new 40,000 sq.ft. industrial manufacturing building on a vacant, moderately contaminated 2 acre brownfield site versus a 2 acre greenfield site in the City of Hamilton (see Appendix C). Both sites are serviced and there are no industrial development charges. It was estimated that depending on the purchase price of the brownfield site, development of the brownfield site (including remediation) would be between 14% and 27% more expensive than the greenfield site. If the brownfield site was also occupied by an obsolete 40,000 sq.ft. building that had to be demolished (a common occurrence in Hamilton's older industrial area), the development of the brownfield site would be between 22% and 34% more expensive than the greenfield site.

Therefore, if brownfield sites are to be financially competitive with greenfield sites, it is imperative that financial assistance be provided to offset the cost of environmental remediation and other associated brownfield costs.

Regardless of location of a brownfield site within a municipality, a lack of information on the existence, type, and extent of contamination, and the estimated cost of remediation is one of the key stumbling blocks in the development of any brownfield property. Phase II (sampling and analysis) environmental site assessments (ESA's) can be very expensive, particularly for larger and more environmentally complex properties. Both owners and purchasers are often reluctant to pay for these studies, particularly when there is no guarantee that the property can be feasibly developed once the study is complete. This reluctance often inhibits interest in the development of these properties. Therefore, there is a need for financial assistance to help pay for the costs of these studies in order to stimulate the private sector to undertake these environmental studies so that more and better information is available with respect to the type of contamination and potential remediation costs on brownfield sites.

Due to the age of its buildings and infrastructure, brownfield properties in the older industrial area in Hamilton also regularly require financial assistance for the costs associated with building demolition and infrastructure upgrading. These costs, which are not incurred on greenfield sites, can sometimes exceed the costs of environmental remediation. Demolition costs may be, in part, offset by development charge credits for existing space demolished, but these demolition credits may not cover the entire cost of demolition. Also, while sewer and water lines must be installed on greenfield sites, the cost of removing and disposing of the old sewer and water lines does not apply to greenfield sites. These additional costs of building demolition and infrastructure upgrading in the older industrial area are generally not found in other areas of Hamilton, except in Downtown Hamilton where the Downtown Hamilton Community Improvement Plan already provides a financial incentive to assist with these costs in the form of the Enterprise Zone Municipal Tax Incentive Program and a 100% exemption from development charges on all development Downtown Hamilton.

Through administering applications for financial assistance programs under the Erase CIP (2010), the need for other types of financial assistance in the older industrial area have become evident. For example, some properties in the older industrial area do not have direct access to adequate sewer and water mains. In some parts of the older industrial area, these sewer and water main services have not been extended to reach all developable properties or these main services may need upgrading. Property owners wishing to develop or redevelop their sites must sometimes pay for the costs of extending or upgrading these off-site services.

These costs can be significant. Therefore, the costs of sewer and water main extensions/upgrading in the older industrial area that are directly borne by property owners should be included as eligible for financial assistance under this Plan.

Additionally, traditional forms of financing capital projects, including that of remediation activities are often difficult to secure as the financial institutions are often reluctant to take on the additional risk that may result from a property being contaminated. Traditional forms of financial assistance for remedial activities has more often than not been “back-end” assistance in the form of tax rebates, but it might be worthwhile to look at financial assistance for the “up-front” cost of remediation and redeveloping brownfield properties, particularly in areas where there are fragmented and smaller parcels of land, or in areas where change is most desired.

Furthermore, it is considered appropriate to increase the eligibility of the ESG and ERG’s to cover DSHMS in the following circumstances:

1) Former institutional buildings;
2) Existing Heritage (properties designated under Part IV or V of the Ontario Heritage Act); and,
3) Older Industrial Area.

It is considered that this would provide a meaningful response to many issues arising out of adaptively re-using older buildings particularly Heritage properties, whereby demolition options are limited or constrained and redevelopment costs are significantly increased. In reviewing this staff concurred and also identified the opportunity to include former institutional buildings, given the rising number of former schools and similar buildings being considered for redevelopment.”

Finally, parts of the West Harbour Area present some unique brownfield redevelopment challenges in the form of several remaining industrial manufacturing uses and the existence of the C.N. Rail Marshalling Yards. In both cases, the costs of relocating these uses to more suitable areas outside the West Harbour Area could prove substantial. Yet, rehabilitation and redevelopment of the lands currently occupied by these uses cannot likely take place unless these uses are ultimately relocated. Therefore, certain costs of relocation/removal of these uses can be considered as part of the environmental rehabilitation of such lands to permit the community improvement of these lands in conformity with this Plan, and therefore, these costs, relating or contributing to the environmental remediation, should also be included as eligible for financial assistance under this Plan.

4.0 COMMUNITY IMPROVEMENT PROJECT AREA

Based on the enabling policies in the Urban Hamilton Official Plan, the critical needs analysis, and the existence of brownfields throughout the urban area of Hamilton, the boundary of the Hamilton ERASE Community Improvement Project Area (the "Project Area") is "the area designated as Urban Area in the Urban Hamilton Official Plan, as may be amended from time to time". The boundary of the ERASE Community Improvement Project Area as shown in Figure 4 is provided for illustrative purposes only to show the Project Area. The ERASE Community Improvement Project Area is properly defined by the above-noted text reference to the Urban Area. Therefore, any expansion or change to the Urban Area, and therefore the Project Area, will be captured by the above-noted text reference and will not require amendment to this Plan.

Based on the critical needs analysis of brownfields in Hamilton, the analysis of planning policies, and several years experience administering brownfield assistance programs under the ERASE CIP (2001), the ERASE Community Improvement Project Area (2005) has been divided into four sub-areas as shown on Figure 4. The Older Industrial Area (Area 2) combined with the West Harbour Area (Area 3) form the Erase Community Improvement Project Area (2001) (see Appendix A). The Rest of Urban Area (Area 1) along with The Older Industrial Area (Area 2) and the West Harbour Area (Area 3) form the ERASE Community Improvement Project Area 2005, and Downtown Hamilton (Area 4) now forms the ERASE Community Improvement Project Area, 2010. The boundary of Areas 2 and 3 was based on a detailed boundary analysis of present and past land use, potential for environmental contamination, physical characteristics and barriers, potential for redevelopment, official plan land use designation, zoning, planning for future land uses, and a visual site inspection, where required.

Based on the critical needs and planning goals in each sub-area, the following types of financial assistance will be made available in each sub-area within the Project Area in order to make brownfield sites in these areas financially competitive with greenfield sites:

Area 1 (Rest of Urban Area)

Financial assistance for the costs of:

a) Phase II ESA's not covered by the ERASE Study Grant Program (ESG);

b) environmental remediation;

c) Leadership in Energy and Environmental Design (LEED) Certification Components as per the LEED Grant Program (LGP)

Area 2 (Older Industrial Area)

Same costs as Area 1 plus financial assistance for the costs of:

d) demolition not covered by development charge demolition credits;

e) removal of on-site infrastructure prior to replacement;

f) extension of sewer and water mains and roads.

Area 3 (West Harbour Area)

Same costs as Area 2 plus financial assistance for the costs of:

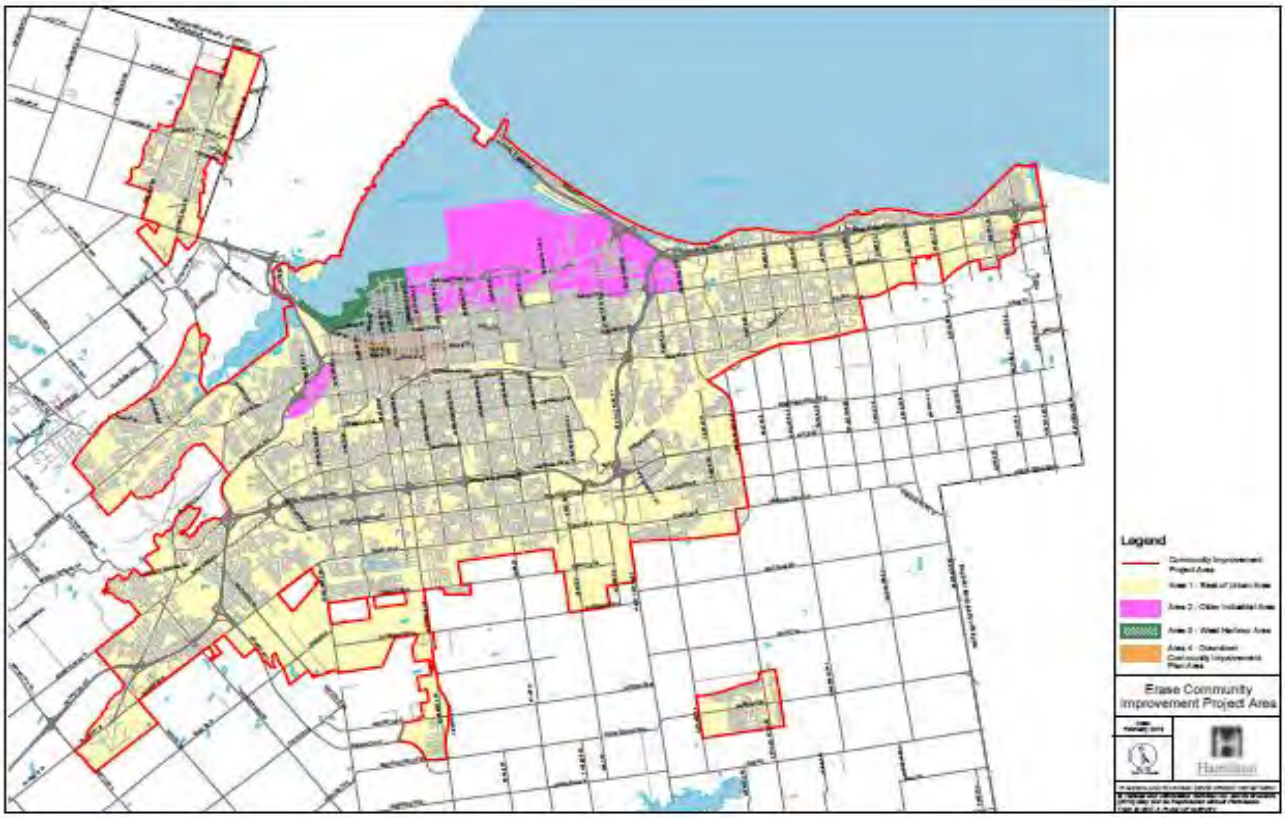
g) relocation/removal of existing, operating industrial manufacturing and transportation uses, provided such costs contribute to or relate directly to the actual rehabilitation and environmental remediation of the site.

Area 4 (Downtown Hamilton)

Same costs as Area 1.

In order to receive any of the financial assistance programs contained in this Plan, applications for financial assistance must also meet the program eligibility requirements as specified in this Plan, and all other requirements of the City.

Figure 4 – 2018 ERASE CIP Map



5.0 COMMUNITY IMPROVEMENT PLANS

5.1 Community Improvement and Redevelopment Plans

Over the years, several parts of the Bayfront Industrial Area between the CNR line and Barton Street have been designated as part of community improvement project areas for the neighbourhoods lying to the south of Barton Street. Community improvement plans, or redevelopment plans as they were previously known, were prepared for these neighbourhoods. These plans focused primarily on neighbourhood issues such as:

a) zoning;

b) the use of site plan/development agreements;

c) park, open space and recreational facilities;

d) property standards by-law enforcement;

e) infrastructure improvements; and,

f) traffic concerns.

In the 1970's and 1980's, Hamilton City Council approved large budget allocations, often in the $1 to 2 million dollar range annually for such programs. At the time, the Province under programs in place to promote neighbourhood improvement and redevelopment matched these budget allocations. This included the Neighbourhood Improvement Program (NIP), which was succeeded by the Program for Renewal, Improvement, Development and Economic Revitalization (PRIDE). Most of the funds were used for the purchase of parks, improvement to recreational facilities, road and sidewalk construction and reconstruction. The Province phased out these programs in the late 1980's.

These previous and existing community improvement plans cover only a very small portion of the ERASE Community Improvement Project Area and none of these plans recommended or even contemplated the types of redevelopment initiatives contained in this Plan. Therefore, there is no overlap between these previous community improvement plans and this Plan.

Community improvement plans have also been established for each of the 11 Business Improvement Areas (BIAs) in the City of Hamilton with the intent of providing financial assistance to commercial property owners and tenants through the Commercial Property Improvement Program. This program offers a grant for the improvement of commercial facades and entrance features. Therefore, there is no overlap between these community improvement plans and the ERASE CIP.

5.2 Erase Community Improvement Plan (CIP) – 2001

The Erase CIP was adopted by City Council in April of 2001 and approved by the Minister of Municipal Affairs and Housing in August of 2001. The Erase CIP (2001) applies to the ERASE Community Improvement Project Area as shown in Appendix A.

5.3 Erase Community Improvement Plan (CIP) – 2005

The Erase CIP (2005) was adopted by Council in April of 2005. The Erase CIP (2005) expanded upon the Erase CIP (2001) in terms of financial assistance programs and the Erase CIP project area. The Erase CIP (2005) applies to the ERASE Community Improvement Project Area as shown in Appendix B

5.4 ERASE Community Improvement Plan (CIP) – 2010

The ERASE CIP (2010) was adopted by City Council March 2010. The ERASE CIP (2010) expanded upon the ERASE CIP (2005) in terms of financial assistance and included the addition of a Remediation Loan Program (RLP) for the West Harbour and Downtown Areas.

Since the ERASE CIP (2001) over 380 Acres of land has been studied; with the City of Hamilton experiencing a total assessment increase due to ERG in excess of $129,029,379. It has been demonstrated that every $1 contributed by the City has generated $11.10 in private sector construction; and that remediation and redevelopment has been approved for approximately 210 Acres of brownfield land with 123 Acres (59% of approved land area) remediated to date.

5.5 Downtown Hamilton Community Improvement Plan (CIP)

The Downtown Hamilton Community Improvement Plan (CIP) was adopted by Council in 2007 by by-law 07-061 and further amended in 2016 by by-law 16-125 and 16-126. This Plan provides for a series of loan and grant programs to property owners to encourage new residential and commercial development and redevelopment in the downtown core of Hamilton. The Plan applies to the Downtown Community Improvement Project Area as shown in Appendix D.

The Downtown Hamilton CIP includes the:

a) Hamilton Downtown Residential Loan Program;

b) Commercial Property Improvement Grant Program; and,

c) Hamilton Downtown Property Improvement Grant Program.

The area of program overlap between the ERASE CIP (2010) and the Downtown Hamilton CIP is between the Hamilton Downtown Property Improvement Grant Program and the ERASE Redevelopment Grant Program (ERG). Both programs operate on the same principle, i.e. both programs provide an economic catalyst to promote redevelopment in the form of a tax- increment based grant equivalent to, and paid as, a percentage of the increase in the municipal portion of property taxes resulting from improvements to the property. Therefore, both programs draw from the same tax-increment dollar to pay grants. This means that while a property in the Downtown Hamilton Community Improvement Project Area may qualify under both the ERASE ERG and the Enterprise Zone Program, it can only receive a grant from only one program or the other at one time.

5.6 Hamilton LEEDing the Way Community Improvement Plan (CIP)

The Hamilton LEEDing the Way Community Improvement Plan was approved in 2008 and was repealed and replaced by an amended version in 2010. The intent of the plan is to provide an economic catalyst for sustainable building and sustainable land development practices located within the LEEDING the Way Community Improvement Project Area. The plan provides a grant to property owners to encourage industrial, commercial, mixed-use and multi-unit residential development and redevelopment within the urban area of the City by the City cost sharing in the incremental construction cost, consultation, energy modeling and certification fees with the applicant to achieve LEED certification.

There is also an area of overlap between the ERASE CIP (2010) and the Hamilton LEEDing the Way CIP between the LEED Grant Program (LGP) and the ERASE Redevelopment Grant Program (ERG).

Both programs operate on the same principle, i.e. both programs provide an economic catalyst to promote redevelopment in the form of a tax-increment based grant equivalent to, and paid as, a percentage of the increase in the municipal portion of property taxes resulting from improvements to the property. Therefore, both programs draw from the same tax-increment dollar to pay grants. This means that while a property in the Hamilton LEEDing the Way Community Improvement Project Area may qualify under both the ERASE ERG and the LEED Grant Program, it can only receive a grant from only one program or the other at one time.

However, the ERASE CIP (2010) seeks to implement the eligible costs as per the LEED Grant Program (LGP) as added eligible costs under the ERASE Redevelopment Grant Program (ERG). This would effectively increase the amount of grant dollars by way of the tax-increment that a property may be eligible to receive.

6.0 PUBLIC PARTICIPATION

6.1 Notification and Public Participation Procedure

This ERASE CIP (February 2018) has been prepared in accordance with the public meeting requirements of Section 28(4) of the *Planning Act*. The Plan was circulated for comment to the agencies and organizations as required by the Planning Act. The Plan was also circulated to internal City departments for comment. The Plan was then revised accordingly based on the comments received from both internal departments and externally circulated agencies.

PART B ERASE CIP

7.0 GOALS OF THE ERASE COMMUNITY IMPROVEMENT PLAN

The goals of this Plan are consistent with and build upon the goals in the Urban Hamilton Official Plan.

a) replace underutilized, contaminated, abandoned and blighted properties with productive land uses;

b) increase tax assessment and revenues for the City of Hamilton and the Province of Ontario;

c) retain and increase employment opportunities;

d) reduce urban sprawl and its related costs;

e) promote energy efficiency and sustainable building practices through the construction of Leadership in Energy and Environmental Design (LEED) standards;

f) improve the physical and visual quality of the urban area;

g) improve environmental health and safety;

h) increase the provision of city core housing opportunities; and

i) stimulate private investment activity and private property maintenance.

The goals of this Plan are consistent with and build upon the goals in the Official Plan of the former Regional Municipality of Hamilton-Wentworth and Vision 2020. The programs in this Plan are guided by the critical needs analysis and planning policies outlined in this Plan.
Implementation of the ERASE CIP programs and the performance of the Plan toward achieving the goals outlined above will be monitored by the Economic Development Department and reported to Council on an annual basis.

8.0 THE ERASE COMMUNITY IMPROVEMENT PLAN (CIP)

This Environmental Remediation and Site Enhancement - (ERASE) CIP (February 2018) represents a comprehensive framework containing a tool kit of programs that taken together, are designed to achieve the goals outlined in Section 7.0 for the Community Improvement Project Area.

This Plan contains the following major programs:

8.1 ERASE Study Grant Program (ESG);

8.2 ERASE Redevelopment Grant Program (ERG);

8.3 ERASE Tax Assistance Program (TAP);

8.4 ERASE Downtown Hamilton/West Harbourfront Remediation Loan Program

8.5 ERASE Municipal Acquisition and Partnership Program (MAPP); and

8.6 ERASE Marketing and Opportunities Program (MOP);

Programs 8.1 to 8.4 are directed at the private sector and are designed to encourage private sector investment and reinvestment, redevelopment, and construction activity in the Project Area. Program 8.5 is a municipal program of brownfield property acquisition, improvement and municipal participation in public-private partnerships to remediate and redevelop brownfield properties. Program 8.6 is a comprehensive program designed to:

a) market the ERASE incentive programs to brownfield market makers such as developers, property owners, and real estate, environmental, planning and other support industries; and,

b) market redevelopment opportunities to these key stakeholders.

Figure 5 summarizes the programs contained in this Community Improvement Plan, including a brief description of each program.

One other program which does not actually form part of this Plan is referenced in Section 9.0 of this report. The Development Charges Reduction (DCR) Program provides a reduction of development charges payable on contaminated sites that are remediated and redeveloped.
Amendment to the Development Charges By-law will be required to implement this program. As this amendment to the Development Charges By-law is outside the scope of the *Planning Act*, the DCR Program has only been referenced, and not included in this Plan.

The ERASE CIP will be administered primarily by the Economic Development Department, in consultation and cooperation with several other departments, including the Planning and Development Department, the Finance Department, and any other departments/divisions, as specified in this Plan, and as may be deemed necessary.

Figure 5 – Summary of ERASE CIP Programs

PROGRAM / PROGRAM DESCRIPTION / DURATION

8.1 ERASE Study Grant Program (ESG)

Grants for 50% of cost of Phase II Environmental Site Assessments (ESA), Risk Assessments and Remedial Action Plans, up to $20,000 per study and $35,000 total per property/project*.

8.2 ERASE Redevelopment Grant Program (ERG)

Grants to property owners who undertake redevelopment with grants equal to 80% of the increase in municipal portion of property taxes until such time as eligible and approved costs have been recovered or for up to ten (10) years, whichever comes first*.

Program to include the study, removal and abatement of Designated Substances and Hazardous Material (DSHM) from the older industrial area, institutional buildings and designated heritage buildings.

Enhance requirements for applicants to demonstrate intention to redevelop a brownfield site (Letter of intent and preliminary development plan).

Enhance marketing of ESG and ERG Program to Older Industrial Area.

Increase Development Charge demolition credit for Older Industrial Area sites with approved ERG applications from five to ten years.

Commence using current ability to conduct spot and random audits of eligible expenses on ERG projects.

Cost of environmental remediation also includes cost of clean fill, grading and compaction to replace contaminated soils, and cost of filling a Record of Site Condition (RSC) and a Certificate of Property Use (CPU).

8.3 ERASE Tax Assistance Program (TAP)

Tax assistance to a property in the form of a freeze or cancellation of part or all of the taxes levied on that property for municipal and school purposes during the rehabilitation and development period*.

8.4 Downtown Hamilton / West Harbourfront Remediation Loan Program (RLP)

Loan to property owners who undertake remediation to facilitate residential and commercial redevelopment in the Downtown Hamilton and West Harbourfront areas.

Interest rate be decreased from prime minus 1% to 0% and the loan repayment period be reduced from ten years to five years and add environmental insurance premiums as an eligible cost*.

8.5 ERASE Municipal Acquisition and Partnership Program (MAPP)

Acquisition and redevelopment of key strategic properties by City. Partnership in public/private sector remediation and redevelopment initiatives.

Concurrent with the ERG (8.2)*

8.6 ERASE Marketing and Opportunities Program (MOP)

Marketing program to market the ERASE incentive programs and key redevelopment opportunities to the development and real estate industry.

Ongoing as needed*.

** Subject to availability of funding as approved by Council.*

General Program Requirements

None of the programs in this CIP will be offered on a retroactive basis. In general, to promote the land use planning policies and principles outlined in Section 2.0 of this Plan, proposals for industrial use in Area 3 (West Harbour Area) will not be eligible for the programs 8.2 to 8.3 and 8.4 in this Plan. Proposals for residential use in Area 2 (Older Industrial Area) will not be eligible for programs 8.2 and 8.3 or 8.4 in this Plan. Proposals for residential use in Area 2 will be eligible for the ESG (Program 8.1) only if they are for a conversion from a former industrial/commercial use to a residential use, and meet all of the requirements of this Plan and all other planning policies and requirements of the City. In order to preserve some flexibility to respond to unique situations, the City reserves the right to make exceptions to these general program requirements. A property may not receive a financial assistance under ERG and TAP at the same time. Tax assistance under the TAP will cease if and when a property is eligible to receive a grant under the ERG.

8.1 ERASE Study Grant Program (ESG)

8.1.1 Purpose

There is very little information on the existence, type, and extent of contamination, as well as the estimated cost of site remediation for brownfield properties in the Project Area. This lack of information is one of the key stumbling blocks in the redevelopment of brownfield properties because it inhibits interest in the redevelopment of these properties, as both property owners and purchasers are often reluctant to undertake and fund environmental studies.

The purpose of this 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. As Phase I ESA's have become a standard requirement of most financial institutions and do not provide detailed information with respect to the type of contamination and cost of remediation, Phase I ESA's are not eligible for funding under this program.

8.2 ERASE Redevelopment Grant Program (ERG)

8.2.1 Purpose

The purpose of this program is to remove a serious financial impediment to brownfield redevelopment efforts, namely the large tax increase that can result when a brownfield property is redeveloped. The intent of the ERG is to encourage environmental remediation, rehabilitation, redevelopment and adaptive re-use of brownfield sites. Therefore, only those brownfield redevelopment projects that result in an increase in property assessment and taxes will be eligible for funding under the ERG. The ERG also leverages public sector investment and encourages development that would otherwise not take place without this incentive program.

8.3 ERASE Tax Assistance Program (TAP)

8.3.1 Purpose

The purpose of the TAP is similar to the ERG, i.e., to remove a serious financial impediment to brownfield redevelopment efforts, namely the large tax increase that can result when a brownfield property is redeveloped. Specifically, the TAP applies only to the costs of environmental remediation.

The legislative authority for the TAP is established under Sections 365.1(2) and (3) of the *Municipal Act* which allow municipalities to pass a by-law providing tax assistance to an eligible property in the form of a freeze or cancellation of part or all of the taxes levied on that property for municipal and school purposes during the rehabilitation period (maximum 18 months from the date that tax assistance begins) and the development period of the property. Matching assistance from the education property tax is subject to approval by the Ministry of Finance.

8.4 Downtown Hamilton / West Harbourfront Remediation Loan Program (RLP)

8.4.1 Purpose

The purpose of this program is to help remove a serious financial impediment to brownfield redevelopment efforts. Because it is often difficult to secure traditional financing for the remediation of contaminated properties, the City, by providing a low interest loan, is offering financing assistance and the economic stimulus for the remediation of properties being developed/redeveloped as residential or residential/commercial use within the defined areas of Downtown Hamilton and the West Harbourfront.

8.5 ERASE Municipal Acquisition and Partnership Program (MAPP)

8.5.1 Purpose

The purpose of the MAPP is for the City to create awareness of brownfield redevelopment opportunities and funding through municipal leadership in property acquisition, investment and municipal financial involvement in pilot projects to clean up and redevelop brownfield sites in the Project Area. The City of Hamilton already owns brownfield properties in the Project Area and it is in the best interests of the City to assess, clean up and prepare these sites for redevelopment.

The legislative authority for the MAPP is established under Sections 28(3) and 28(6) of the *Planning Act*.

Once a Community Improvement Project Area has been designated and a CIP is approved, Section 28 of the Planning Act allows a municipality to:

a) acquire, hold, clear, grade or otherwise prepare land for community improvement;

b) construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan; and,

c) sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan.

Funding sources for the MAPP program are outside the scope of the *Planning Act*, and do not require the approval of the Minister of Municipal Affairs and Minister of Housing.

8.6 ERASE Marketing and Opportunities Program (MOP)

8.6.1 Purpose

The significant financial incentive programs contained in this Plan are designed to make brownfield redevelopment opportunities in the Project Area much more attractive, but they cannot be effectively utilized if property owners, developers and others in the Project Area are not aware of these programs. Also, there are brownfield redevelopment opportunities throughout the Project Area, but developers, potential end users, and support professionals are often not aware of these opportunities. Therefore, one purpose of the ERASE MOP is to aggressively and regularly communicate and explain the ERASE Programs to brownfield market makers. This includes property owners, the development industry, real estate professionals, environmental consultants, planning consultants, lawyers, accountants and other support professionals.

Another purpose of the MOP is to advertise and market publicly and privately-owned brownfield redevelopment opportunities. The MOP program is outside the scope of the *Planning Act* and does not require the approval of the Minister of Municipal Affairs and Minister of Housing.

9.0 ERASE DEVELOPMENT CHARGE REDUCTION (DCR) PROGRAM

9.1 Purpose

The Urban Area (Project Area) is already fully serviced with municipal services. While there may be some minimal draw on municipal services as a result of redevelopment in this area, the use of these services which have already been paid for, could result in a significant public benefit by reducing urban sprawl and its related costs (hard and soft services).

To promote development in the Downtown Community Improvement Project Area, the City exempts commercial and residential development charges in the Downtown Community Improvement Project Area. A similar program to exempt development charges on environmentally impaired properties in the ERASE Community Improvement Project Area is proposed. The purpose of this program is to promote redevelopment on brownfield sites by allowing the reduction of development charges payable by environmental remediation expenses.

It is recommended that the Development Charge demolition credit for Older Industrial Area sites with approved ERG applications be extended to 10 years.

As the proposed ERASE DCR Program will require changes to the Development Charges By-law to be implemented, its implementation does not fall within the parameters of Section 28(7) of the *Planning Act*. Therefore, the ERASE DCR Program does not form part of this Plan but will be forwarded to Council as part of the current review of the City's Development Charges By-law.

9.2 Program Description

The DCR Program will provide a reduction of development charges equal to the cost of environmental remediation and LEED certification program component costs (Items g) i), ii), iii), iv) and v) in Section 8.2.3) approved under the ERASE ERG. The applicant with an approved application and agreement for a property under the ERASE ERG will have the option of applying the costs of environmental remediation and LEED certification program component costs on that property against development charges payable for that property (after any demolition charge credits are applied). If the applicant chooses to exercise this option, the costs of environmental remediation and LEED certification program component costs applied against development charges payable will be deducted from eligible costs under the ERASE ERG.

In Area 2, the DCR Program will not provide development charge reduction for residential development, unless that development is a conversion from a former industrial/commercial use.

In Area 3, the DCR Program will not provide development charge reduction for industrial development.

Separate application for the DCR Program is not required but all property owners participating in the DCR Program must have an approved ERG application and agreement.

The City may discontinue the DCR Program at any time. However, property owners with an approved ERG application and agreement who have exercised the development charge reduction option will receive the development charge reduction. No right to any tax assistance until it has been duly authorized by the City. The City is not responsible for any costs incurred by the owner/applicant in any way relating to the program, including without limitation, costs incurred in anticipation of tax assistance.

9.3 Eligibility Requirements

The eligibility requirements for the DCR Program are the same as the ERG (see Section 8.2.3), except for the following:

a) Eligible program costs include only the costs of:

   i) environmental remediation, i.e., the cost of any action taken to reduce the concentration of contaminants on, in or under the eligible property to permit a record of site condition (RSC) to be filed for the proposed use by a qualified person, including costs of preparing and filing of an RSC and CPU, cost of clean fill, grading and compaction to replace contaminated soils;

   ii) Phase II and Phase III ESA's/SSRA's not covered by the ESG;

   iii) installing environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment and/or Certificate of Property Use

   iv) monitoring, maintaining and operating environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment and/or Certificate of Property Use

   v) the following Leadership in Energy and Environmental Design (LEED) Program components as per the City of Hamilton's LEED Grant Program (LGP) up to a maximum of 50% to achieve LEED certification under the LEED rating system by the Canadian Green Building Council - CaGBC (Area 4 only):

      a) incremental construction costs,

      b) consultation costs,

      c) energy modeling, and

      d) certification fees

b) Residential development in Area 2 is not eligible for the DCR Program, unless that residential development is a conversion from a former industrial/commercial use;

c) Industrial development in Area 3 is not eligible for the DCR Program;

d) All recipients of a DCR must have an approved ERG Application and an executed ERG Agreement in place.

9.4 Program Administration

The Economic Development Department in consultation with the Finance and Corporate Services Department will be responsible for the administration of this program.

All of the administrative steps for the ERG (Section 8.2.4) apply to the DCR Program. The following additional administrative steps will also apply to the DCR Program.

The applicant will indicate in the ERG application form if they wish to apply the costs of environmental remediation on the property against development charges payable.

Once the ERG Application and Agreement have been approved, the reduction of development charges for environmental remediation costs will be calculated based on the actual costs of remediation supplied by the applicant. At the time of building permit application, the development charge payable would be calculated by the Finance and Corporate Services Department. This development charge would first be reduced by the applicable demolition credit. The remaining development charge payable would then be reduced by the cost of environmental remediation. If the

cost of environmental remediation is greater than the development charge payable, the development charge payable will be reduced to zero ($0), and the amount of eligible costs for the ERG would be reduced by the amount of environmental remediation costs applied against the development charge payable. If the cost of environmental remediation is less than the development charge payable, the development charge payable will be reduced by the cost of environmental remediation, and the remaining development charge is payable. Again, the ERG would be reduced by the amount of environmental remediation costs applied against the development charge payable.

As the proposed ERASE DCR Program will require changes to the Development Charges By- law to be implemented, its implementation does not fall within the parameters of Section 28(7) of the *Planning Act*. Therefore, the ERASE DCR Program does not form part of this Plan but will be forwarded to Council as part of the current review of the City's Development Charges By- law.

10.0 PROGRAM MONITORING AND ADJUSTMENT

The Economic Development Division will monitor participation in ERASE programs, including the variables listed below in Figure 7 on an individual project and aggregate basis. The Division will report annually to Council regarding monitoring and program performance. Based on monitoring results the City may periodically review and adjust the terms and requirements of the programs including changes to expiration dates or discontinue any of the programs described in this Plan, without amendment to the Plan.

Any Changes to the detailed implementation measures to allow for the efficient administration of these programs shall be adopted by Council resolution. These administrative procedures are set out in Appendices A - F in the CIP.

Figure 7 – Brownfield Variables to be Monitored

PROGRAM / VARIABLE

8.1 ERASE Study Grant Program (ESG)

- Number of applications
- Type of ESA (Phase II), risk assessment or remedial work plan
- Cost of ESAs risk assessment or remedial work plan
- Cost of ESG Grants
- Number of ESA's, risk assessment or remedial work plan receiving grants that lead to ERG applications and/or actual clean up and redevelopment projects

8.2 ERASE Redevelopment Grant Program (ERG)

- Number of applications
- Breakdown of eligible costs by type
- Total cost of ERG grants
- Hectares (acres) of land cleaned up/redeveloped
- Industrial/commercial space (sq.ft.) constructed or refurbished
- Residential units/ (sq.ft.) constructed
- Value of private sector investment leveraged
- Estimated increase in assessed value
- Estimated increase in municipal and education taxes
- Jobs created/retained

8.3 ERASE Tax Assistance Program (TAP)

- Cost of municipal and education tax assistance provided
- Same variables as in 8.2 above

8.4 Downtown Hamilton / West Harbourfront Remediation Loan Program

- Number of applications
- Breakdown of eligible costs by type
- Total cost of ERG grants
- Hectares (acres) of land cleaned up/redeveloped
- Industrial/commercial space (sq.ft.) constructed or refurbished
- Residential units/ (sq.ft.) constructed
- Value of private sector investment leveraged
- Estimated increase in assessed value
- Estimated increase in municipal and education taxes
- Jobs created/retained

8.5 ERASE Municipal Acquisition and Partnership Program (MAPP)

- Pilot project funding by purpose (studies, remediation, other)
- Same variables as in 8.2 above

8.6 ERASE Marketing and Opportunities Program

- Marketing costs and activities
- Enquiries

11.0 CONCLUSION

This ERASE Community Improvement Plan is a comprehensive framework containing a set of programs that are designed to improve economic opportunities and environmental conditions in the Project Area and achieve the community improvement goals of this Plan. The Plan is based on a “public good” rationale because it is designed to achieve the following goals:

a) replace underutilized contaminated, abandoned and blighted properties with productive land uses;

b) increase tax assessment and revenues for the City of Hamilton and the Province of Ontario;

c) retain and increase employment opportunities;

d) reduce urban sprawl and its related costs;

e) improve the physical and visual quality of the urban area;

f) improve environmental health and safety;

g) increase the provision of city core housing opportunities; and,

h) stimulate private investment activity and private property maintenance.

The goals of this Plan are consistent with and build upon the community improvement goals in the Urban Hamilton Official Plan. The preparation and adoption of this ERASE CIP is in conformity with, and supported by, existing planning policies. This Plan, through its programs, also emphasizes particular land uses in various areas within the Project Area that are in keeping with future planned land uses.

The approval of this Plan will provide the legislative basis and context for this comprehensive set of programs and will foster the redevelopment and revitalization of brownfields in Hamilton.

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PART C

APPENDICES

APPENDIX A

8.1 ERASE Study Grant Program (ESG)

8.1.1 Purpose

There is very little information on the existence, type, and extent of contamination, as well as the estimated cost of site remediation for brownfield properties in the Project Area. This lack of information is one of the key stumbling blocks in the redevelopment of brownfield properties because it inhibits interest in the redevelopment of these properties, as both property owners and purchasers are often reluctant to undertake and fund environmental studies.

The purpose of this 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. As Phase I ESA's have become a standard requirement of most financial institutions and do not provide detailed information with respect to the type of contamination and cost of remediation, Phase I ESA's are not eligible for funding under this program.

The Study Grants are considered an important tool to facilitate ERG applications, and to ensure this continues administrative changes will be recommended to require that all ESG's are accompanied by preliminary development plans and/or letter of intent to develop.

8.1.2 Program Description

The ESG will provide a financial incentive in the form of a matching grant equal to 50% of the cost of a Phase II ESA, Risk Assessment or Remedial Action Plan (excluding H.S.T), to a maximum of:

a) $20,000 per study;
b) two studies per property/project (Since July 1, 2011);
c) $35,000 per property/project;

The ESG is an application-based program. Review and evaluation of the application and supporting materials against program eligibility requirements will be done by City staff and a decision on the grant application will be made by City staff. Applications will be processed and approved on a first come, first serve basis, subject to a higher priority being placed on ESG applications where planning applications have already been approved or submitted, and applications that are in key strategic locations and/or in areas of greatest need, as may be identified by the City from time to time.

The grant will be paid on the lesser of a cost estimate provided by the qualified person conducting the study or the actual cost of the study. 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 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 their assignee.

Grants approved under this program would be provided to property owners or their assignees following submission of the final completed study with the original invoice, indicating that the study consultants have been paid in full. One hard copy and one electronic copy of the environmental study will be provided to the City for its inspection, review and retention. 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 but said study or studies will not

be released by the City.

For consideration of an ESG proposed on City owned lands, the application must be accompanied with an intent to purchase agreement approved by City of Hamilton Real Estate Staff.

The City reserves the right to audit the cost of the study. The grant may be reduced or cancelled if the study is not completed, not completed as approved, or if the environmental consultant(s) that conducted the study are not paid. Notwithstanding any representation by or on behalf of the City, or any statement contained in the program, no right to any grant arises until it has been duly authorized by the City. The City is not responsible for any costs incurred by the Owner/Applicant in any way relating to the program, including without limitation, costs incurred in anticipation of a grant. The City may discontinue this program at any time, but applicants with approved grants will still receive a grant subject to meeting the program eligibility requirements.

It is to be noted that an ESG cannot be used solely for refinancing purposes. Finally, for the purposes of clarity a 'project' consists of the redevelopment site. The redevelopment site may include adjacent municipal addresses.

8.1.3 Eligibility Requirements

All owners and their assignees within the ERASE Community Improvement Project Area are eligible to apply for funding under this program, subject to meeting the general program requirements in Section 8.0, the following eligibility requirements and subject to the availability of funding as approved by City Council:

a) An application for the ESG must be submitted to the City prior to the start of any environmental study to which the grant will apply (Program is not retroactive);

b) Assignees are eligible to apply for the ESG only if they can provide written consent to conduct the study from the owner of the property;

c) Environmental studies shall be for the purpose of:

   i) confirming and describing contamination at the site (partial or complete Phase II ESA); and,

   ii) developing a plan to remove, treat, or otherwise manage contamination found on the site (Remedial Action Plan or Risk Assessment);

d) Applicants must submit to the City a Phase I ESA that demonstrates that site contamination is likely;

e) Applications will include:

   i) a brief proposal for the environmental study;

   ii) a detailed study work plan;

   iii) a cost estimate for the study; and,

   iv) a description of the planned redevelopment, including any planning applications that have been submitted/approved;

f) All environmental studies shall be completed by a "qualified person" as defined by the *Environmental Protection Act* and its regulations;

g) All completed environmental studies must comply with the description of the studies as provided in the grant application form;

h) One (1) digital and one (1) hard copy of the study findings shall be submitted to the City;

i) A maximum of two (2) study grants will be awarded for any property, to a maximum of $20,000 (excluding H.S.T) per study and $35,000 (excluding H.S.T) per property/project since July 1, 2011;

j) The City reserves the right to audit the costs of studies prior to advancing the grant payment;

k) The total value of any grant(s) provided under this program will be deducted from eligible program costs for the ERASE ERG, if applicable.

l) Eligible costs to cover Designated Substances and Hazardous Material Survey and Industrial/Office Reuse Feasibility Study and their removal and abatement in the Older Industrial Area.

m) Eligible costs to cover Designated Substances and Hazardous Material Survey and their removal and abatement applicable to current/closed Institutional uses across the CIPA.

n) Eligible costs to cover Designated Substances and Hazardous Material Survey and their removal and abatement applicable to designated Heritage Buildings (properties designated under Part IV or V of the Ontario Heritage Act) across the CIPA.

o) All environmental studies must be prepared to meet latest O. Regulation 153/04 standards.

p) The applicant must provide a phase one ESA for all properties within the redevelopment site.

8.1.4 Administration

The Economic Development Department will be responsible for administering the ESG, in consultation with other departments as necessary. Applications shall be submitted to the Economic Development Department and shall include a detailed work plan and cost estimate for the required study. Applications must be accompanied by a Phase I ESA that demonstrates site contamination is likely and a letter of intent and preliminary development plans for intended development. It should be noted that two quotes should be provided for the proposed study work.

Program eligibility will be determined by the Economic Development Department, in consultation with other departments as necessary. Applications will be approved by the Economic Development Department only if they meet the criteria specified in this Plan and any other requirements of the City.

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

Upon receipt of one (1) hard copy and (1) digital copy of the final study report with the original invoice indicating that the study consultants have been paid in full, the Economic Development Department shall review the report for conformity with the submitted work plan and eligibility criteria. If the submitted report does not conform to the submitted work plan or is not to the satisfaction of the City, the applicant will be given an opportunity to modify the report.

Once the report conforms to the submitted work plan and is to the satisfaction of the City, the Economic Development Department will authorize the Finance Department to issue a cheque to the applicant equivalent to the grant amount.

ESG approval (except Risk Assessments) will be revoked if study work is not completed within two calendar years from date of initial approval.

APPENDIX B

8.2 ERASE Redevelopment Grant Program (ERG)

8.2.1 Purpose

The purpose of this program is to alleviate a serious financial impediment to brownfield redevelopment efforts, namely the large tax increase that can result when a brownfield property is redeveloped. The intent of the ERG is to encourage environmental remediation, rehabilitation, redevelopment and adaptive re-use of brownfield sites. Therefore, only those brownfield redevelopment projects that result in an increase in property assessment and taxes will be eligible for funding under the ERG. The ERG also leverages public sector investment and encourages development that would otherwise not take place without this incentive program.

8.2.2 Program Description

The ERG is a tax-increment based program that will provide a financial incentive in the form of a grant to help offset the cost of environmental remediation and rehabilitation of brownfield properties where redevelopment results in a re-valuation and tax increase on these properties. The applicant will initially pay for the entire cost of the remediation and redevelopment project. Once the municipality receives the first full calendar year of newly assessed property taxes that result from the development, the municipality will reimburse the applicant in the form of an annual grant equivalent to 80% of the increase in City taxes that result from redevelopment. Each year, the property owner must first pay taxes owing and then the approved applicant will receive the grant. In no case will the total amount of the grant provided under this program exceed the value of the approved eligible program costs. Also, in no case, will the total amount of the grants provided under this program, and the Tax Assistance Program (TAP) (8.3) exceed the estimated eligible program costs as approved by City Council.

The grant provided under the ERG will equal 80% of the increase in the City portion of property taxes. The remaining 20% of the increase in the City portion of property taxes will be dedicated to the ERASE Municipal Acquisition and Partnership Program (MAPP)

The grants may be received by the property owner in conjunction with any other available municipal program except for other tax increment financing programs.

Assignment of a grant under this Program is not permitted except where the grant is to be assigned to the City of Hamilton as payment towards a loan under the Downtown Hamilton/West Harbourfront Remediation Loan Program for the same project.

The grant will be earned by the applicant if they have met all terms and conditions of the Program and the property and property owner are in good standing with the City in terms of all City By-laws that apply to the property and project, all laws that govern the construction and development of the project and the payment of all taxes during the development stage and for any portion of the property retained by the property owner after remediation and redevelopment are complete. The annual grant to the applicant will be pro-rated if an appeal has been filed with the Municipal Property Assessment Corporation (MPAC) by any of the condominium unit owners. The grant for condominium units that are under appeal will not be released until the appeals are settled through the Assessment Review Board.

For developments containing condominium units, the first-year grant is payable during the calendar year in which 75% of the condominium units within the project are reassessed by MPAC

and the property owner(s) have paid in full the new taxes for one (1) calendar year. For non-condominium developments, the first-year grant is payable during the calendar year in which the redevelopment project is complete, the property has been reassessed by MPAC and the property owner has paid in full the new taxes for one (1) calendar year.

Grant payments under the ERG Program will cease at such time as whichever of the following comes first:

a) Total grant payments provided under this program equal the approved and accepted eligible costs have been reimbursed; or,

b) 10 annual payments have been provided.

The ERG is an application-based program. As early as possible in the development approvals process, a property owner will register their intent to participate in the program by filing an ERG Application with the Economic Development Division. Before accepting this application, the Economic Development Division will screen the application to ensure that it is for a property within the designated ERASE Community Improvement Project Area (CIPA) and the application meets the eligibility requirements.

Applications that are not within the ERASE CIPA or applications that clearly do not meet the eligibility requirements will not be accepted. Acceptance of the application by the Economic Development Division in no way implies grant approval.

Applications will be processed and approved on a first come, first serve basis. Review and evaluation of the application and supporting materials against program eligibility requirements will be done by City staff. The applicant participating in the ERG program must enter into an agreement with the City. This Agreement will specify the terms and conditions of the grant and will include terms and conditions in addition to those contained in this Appendix “B” as determined by the City Solicitor and General Manager of Planning and Economic Development. All ERG applications and agreements will be subject to approval by City Council or Council’s designate.

The amount of City taxes (“base rate”) will be determined before commencement of the project. The increase in the municipal portion of real property taxes (or “municipal tax increment”) will be calculated as the difference between the base rate and the amount of City taxes levied as a result of reassessed by the Municipal Property Assessment Corporation (MPAC) following project completion. The municipal tax increment will be used to fund the grant. This program does not exempt property owners from an increase/decrease in municipal taxes due to a general tax rate increase/decrease, or a change in assessment for any other reason.

For eligible sites where environmental remediation is proposed, the applicant shall obtain and submit to the City a Phase II ESA and/or Risk Assessment and a Remedial Action Plan undertaken by a Qualified Person that:

a) Identifies the extent and provides a cost estimate for the environmental remediation of the eligible property; and,

b) Contains a detailed work plan and budget for said environmental remediation.

For eligible sites where the removal and/or abatement of designated substances and/or hazardous materials is proposed, the applicant shall obtain and submit to the City:

a) A Designated Substances and Hazardous Materials Survey which identifies the presence, extent and need for the removal and/or abatement of such substances/materials in accordance with the *Occupation Health and Safety Act*, Ontario Regulation 278/05 (where applicable) and to the City’s satisfaction; and,

b) A detailed work plan and cost estimate.

For eligible sites where the removal, replacement and/or upgrade of capacity for existing on-site infrastructure (water services, sanitary sewers and storm sewers) and/or building demolition is proposed, the applicant shall obtain and submit to the City:

a) Any applicable engineering/servicing reports identifying the need for the removal, replacement and/or upgrade of on-site infrastructure; and,

b) A detailed work plan and cost estimate for the demolition and/or removal, replacement and/or upgrade of on-site infrastructure.

The actual component costs for all eligible cost items will be supplied to the City upon completion of the project. Payment of the grant will be based on the City's review, satisfaction and acceptance of all reports, paid invoices and documentation which is submitted outlining the full scope and cost of the work completed. Any and all of these costs may be subject to audit, at the expense of the property owner. The grant may be reduced or cancelled if the eligible work is not completed, not completed as approved and/or where documentation/invoicing of said costs is not provided to the City's satisfaction.

If during the course of the work, the scope of the work changes, or actual costs are greater or less than estimated costs, the City reserves the right to increase or decrease the total amount of the grant. The annual grant payment will be based on the actual increase in property taxes as calculated, based on the actual reassessment by MPAC following project completion and receipt of an RSC.

The City may discontinue the ERG Program at any time. However, participants in the ERG Program with applications and agreements that were approved prior the closing of the program will continue to receive grant payments as determined through their ERG Agreement with the City. The City is not responsible for any costs incurred by the property owner in any way relating to the program, including without limitation, costs incurred in anticipation of a grant.

It should be noted that peer-reviewed Risk Assessments are to be permitted in situations where a RSC is not required by the Ministry of Environment, Conservation and Parks (MOECP) (i.e. not moving to a more sensitive land use).

Regardless of whether or not an Applicant otherwise satisfies the requirements of the Program, the City may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to**,** the applicant being involved in litigation with the City. Applicants are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).

Finally, for the purposes of clarity a 'project' consists of the redevelopment site. The redevelopment site may include multiple properties with more than municipal address.

8.2.3 Eligibility Requirements

All owners of properties within the ERASE Community Improvement Project Area are eligible to apply for funding under this program, subject to meeting the general program requirements in Section 8.0, the following eligibility requirements, and subject to availability of funding as approved by Council:

a) An application for the ERG must be submitted to the Economic Development Department prior to the commencement of any works and prior to application for building permit

(Program is not retroactive);

b) Such application shall include reports, plans, estimates, contracts and other details as may be required to satisfy the City with respect to the eligible costs of the project and conformity of the project with the ERASE CIP;

c) The applicant shall obtain and submit to the City a Phase II ESA and/or Risk Assessment and Remedial Action Plan undertaken by a Qualified Person that:

i) identifies the extent and provides a cost estimate for the environmental remediation of the eligible property; and,

ii) contains a detailed work plan and budget for said environmental remediation.

d) As a condition of the grant application, the City may require the applicant to submit a Business Plan, with said Plan to the City's satisfaction;

e) The property shall be 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 the total value of work done under eligible program costs;

g) Eligible program costs include the following:

i) environmental remediation (i.e., the cost of any action taken to reduce the concentration of contaminants on, in or under the eligible property to permit a Record of Site Condition (RSC) to be filed for the proposed use by a Qualified Person, including costs of preparing and filing of an RSC and Certificate of Property Use (CPU), cost of clean fill, grading and compaction to replace contaminated soils;

Eligible environmental remediation costs do not include construction/development costs that would be required regardless of the presence of contamination.

ii) Phase II ESAs, Risk Assessments and Remedial Action Plans not covered by the ERASE Study Grant program;

iii) installing environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment and/or CPU;

iv) monitoring, maintaining and operating environmental and/or engineering controls/works related to environmental remediation, as specified in the Remedial Action Plan and/or Risk Assessment and/or CPU;

v) Industrial/Office Reuse Feasibility Study (Area 2 only)

vi) Designated Substances and Hazardous Material Survey and their removal and abatement in accordance with the *Occupational Health and Safety Act* and Ontario Regulation 278/05 (where applicable) in the Older Industrial Area (Area 2);

vii) Designated Substances and Hazardous Material Survey and their removal and abatement in accordance with the *Occupational Health and Safety Act* and Ontario Regulation 278/05 (where applicable) in current/closed Institutional use buildings across the CIPA;

viii) Designated Substances and Hazardous Material Survey and their removal and abatement in accordance with the *Occupational Health and Safety Act* and Ontario Regulation 278/05 (where applicable) as part of the rehabilitation and restoration of heritage buildings/properties designated under Part IV or V of the *Ontario Heritage Act* across the CIPA; and

ix) In addition to the above, the following costs may also be considered eligible when incurred on a site requiring remediation/rehabilitation and located in the applicable geographic area:

A. the following Leadership in Energy and Environmental Design (LEED) Program components up to a maximum of 50% as per the City of Hamilton's LEED Grant Program (LGP) to achieve LEED certification under the LEED rating system by the Canadian Green Building Council – CaGBC:

- incremental construction costs,
- consultation costs
- energy modeling; and
- certification fees

B. demolition costs not covered by demolition charge credits (Areas 2 and 3 only);

C. the removal, replacement and/or upgrade of capacity for existing infrastructure (water services, sanitary sewers and storm sewers) up to a maximum of 25% of the cost of said improvement provided the improvement is located on the property and will support the rehabilitation and reuse of the property (Areas 2 and 3 only);

D. certain relocation/removal costs for existing and operating industrial manufacturing and transportation uses, where such costs relate to or contribute directly to the actual remediation and rehabilitation of the site (Areas 2 and 3 only).

h) Notwithstanding 8.2.3 g), costs shall not be considered to be eligible if incurred prior to the date an application has been submitted under this program and accepted by the City with the exception of studies which were the subject of an approved ERASE Study Grant (ESG) Program (8.1) application. The total of the grant provided under this Program in combination with any tax assistance provided under the Tax Assistance Program (TAP) (8.3) shall not exceed the total approved eligible costs. Previous grant payments provided under the ESG Program for studies which are also to be accepted as eligible costs under this program will be deducted from the approved eligible costs;

i) To be eligible under this program, costs must be incurred by the property owner as identified on the submitted program application accepted by the City;

j) Actual costs for any or all of the items in eligible program costs above may be subject to audit by the City, at the expense of the property owner;

k) All property owners participating in this program will be required to enter into an agreement with the City which will specify the terms and conditions of the grant;

l) All ERG applications must be approved by City Council or City Council's designate;

m) The property owner shall be required to submit one of the following prior to a grant being paid under this program:

i) a Record of Site Condition ("RSC") conforming to the latest Ontario Regulation 153/04 standards and prepared by a Qualified Person to the Environmental Site Registry under section 168.4 of the *Environmental Protection Act* and shall submit to the City an acknowledgement of receipt of the RSC by the MOECP; or

ii) where the submission of a signed RSC is not required under the *Environmental Protection Act* to permit the brownfield redevelopment, and provided that the owner of the property within the ERASE Community Improvement Project Area undertakes a Risk Assessment and remediates the property to a standard that would enable the owner to submit a RSC, the property owner may instead provide the City with a Risk Assessment prepared by a Qualified Person for Risk Assessments (as defined in the *Environmental Protection Act* and Ontario Regulation 153/04, as amended), subject to a peer-review by a Qualified Person for Risk Assessment, who is acceptable to the City. This peer-review must certify that the property has been remediated to the appropriate levels for the proposed use in accordance with the Risk Assessment, to the satisfaction of the City. The cost of the peer-review will be an eligible cost under this program.

n) The City reserves the right to require the submission, to the City's satisfaction, of environmental reports and documentation showing the subject property has been remediated to the appropriate levels for the proposed use.

o) If a building(s) erected on a property participating in this Program is demolished before the grant period expires, the remainder of the monies to be paid out under the grant shall be forfeited;

p) The improvements made to buildings and/or land shall be made pursuant to a Building Permit, constructed in accordance with the Ontario Building Code, and in compliance with all applicable Official Plan, Zoning By-Law and Site Plan Control requirements and approvals; and,

q) Outstanding work orders and/or orders or requests to comply from the City must be satisfactorily addressed prior to grant approval.

r) No grant is to be paid out until the project is completed. Alternatively, subject to written approval by the Director of Economic Development, a percentage of the total grant payment may be provided for phased developments based on the number of phases completed and proportional to the eligible costs incurred in each completed phase. Such partial payments shall be limited to those projects where the incremental tax increase for individual development phase can be determined to the City's satisfaction.

s) Work on the portion of the Project that is at or above grade shall commence no longer than five (5) years from the date an application under this program was approved by City Council (or City Council's designate) and the Project and all eligible works shall be completed and the project capable of being fully occupied within 10 years from the date an application under this program approved by City Council (or City Council's designate). Where a project consists of multiple phases, consideration may be provided for an extended project completion and occupancy period at the sole absolute and unfettered discretion of City Council.

Eighty-percent (80%) of the municipal portion of the tax increment will be reimbursed to the property

owner in the form of a grant, while the remaining 20% of the tax increment will be dedicated to the ERASE Municipal Acquisition and Partnership Program (see Section 8.5).

8.2.4 Administration

The Economic Development Division will be responsible for administering the ERG, in consultation with other division/departments as necessary. Applications shall be submitted to the Economic Development Division and shall be accompanied by a Phase II ESA and/or Risk Assessment and Remedial Action Plan undertaken by a Qualified Person (as defined under Ontario Regulation 153/04) and/or Designated Substances and Hazardous Materials Survey (where applicable). For sites undertaking environmental remediation, the work plan and cost estimate shall be in the form of a Remedial Action Plan prepared by a Qualified Person. Said work plan and cost estimate will be supported by a Phase II ESA and/or Risk Assessment undertaken by a Qualified Person. Studies/plans submitted shall:

a) Identify the extent of the environmental remediation and any installation, monitoring, maintaining and operating environmental and/or engineering controls/works required for the eligible property; and,

b) Provide a detailed work plan and cost estimate for said environmental remediation which includes the installation, monitoring, maintaining and operating environmental and/or engineering controls/works.

For other non-remediation eligible works under this program, a written contractor's estimate shall be provided which shall be supported by any applicable studies (such as Designated Substances and Hazardous Materials Survey) to the City's satisfaction. The City may also require the submission of a Business Plan for the proposed development.

In addition, a cost estimate for all eligible LEED program component costs by a LEED certified specialist must be provided.

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

Before accepting an application, City staff will screen the application. If the application is not within the community improvement project area or the application clearly does not meet the program eligibility requirements, the application will not be accepted.

Acceptance of the application by the City in no way implies grant approval.

Program eligibility will be determined by the Economic Development Division, in consultation with other divisions/departments as necessary. Applications will be recommended for approval only if they meet the criteria specified in this Plan and any other requirements of the City including that the property and property owner are in good standing with the City in terms of all City By-laws that apply to the property and project, all laws that govern the construction and development of the project and the payment of all taxes.

In instances where an applicant cannot satisfy staff with all necessary eligible cost estimates and required back-up documentation, staff reserves the right to consider an application as part of a two-step application and approval process, with the ultimate approval residing with City Council.

Where an ERG application has been submitted by a property owner and accepted by the City but not yet approved by City Council (or City Council's designate), and the subject property(s) are transferred to a new property owner, the City may permit the transfer or assignment of the

application, and any eligible costs incurred from the original date of application, to the new owner at the sole, absolute and unfettered discretion of the General Manager of Planning and Economic Development. An assignment or transfer may require the assignee or transferee to submit an application, assignment or transfer agreement and/or such other documents as determined by the General Manager of Planning and Economic Development in their sole, absolute and unfettered discretion.

A recommendation on the ERG Application (including estimated eligible costs) will be forwarded to City Council (or Council's designate) for consideration.

The applicant participating in the ERG program must enter into an agreement with the City which will be forwarded to the applicant for signature once City Council (or Council's designate) approves the ERG Application. Once the applicant has signed the agreement, the agreement will then be executed by City officials and a copy will be provided to the applicant. The City may require the applicant to register the agreement on title immediately upon execution of the agreement. This agreement will identify events of default whereby upon its occurrence, and for so long as the default continues, the City shall be entitled to remedies including but not limited to ceasing or delaying the release of grant payments without notice to the owner and any obligation of the City to make a grant payment or provide accommodation under the ERG Agreement shall cease. In addition, the City may declare, by notice to the owner, that any grant payments already made to be forthwith due and payable as determined by the General Manager of Planning and Economic Development in their sole, absolute and unfettered discretion.

For sites subject to environmental remediation, the property owner shall submit to the MOECP a signed Record of Site Condition (RSC) prepared by a Qualified Person, and the property owner shall submit to the City an acknowledgement of receipt of the RSC by the MOECP. The City reserves the right to require the submission to the City's satisfaction, of environmental reports and documentation showing the subject property has been remediated to the appropriate levels for the proposed use. The RSC filed with the MOECP must conform to the latest Ontario Regulation 153/04 standards. Where the submission of a signed RSC is not required under the *Environmental Protection Act* to permit the brownfield redevelopment and provided that the owner of the property within the ERASE Community Improvement Project Area undertakes a Risk Assessment and remediates the property to a standard that would enable the owner to submit a RSC, the property owner may instead provide the City with a Risk Assessment prepared by a Qualified Person for Risk Assessments (as defined in the *EnvironmenR*

Appendix K

Section 6A, Part D – Implementation: Urban Hamilton Official Plan; and, former Regional Municipality of Hamilton-Wentworth (where applicable)

6 Secondary Plans and Neighbourhood Plans

Secondary plans are used to provide detailed and community specific guidance to growth and change in smaller geographic areas of the City. Secondary plans identify more detailed land uses, densities, design requirements, and infrastructure requirements and other implementing actions appropriate for the community.

6A Community Improvement

It is the intent of Council through Community Improvement to promote and maintain a high-quality living and working environment throughout the City. Community Improvement shall be accomplished through (1) the upgrading and ongoing maintenance of communities or areas characterized by obsolete buildings, and/or conflicting land uses and or/inadequate physical infrastructure and community services, and, (2) the establishment of policies and programs to address identified economic, land *development* and housing supply issues or needs throughout the Urban Area.

6A.1 Community Improvement shall be carried out through the designation, by Council, of Community Improvement Project Areas and through the preparation and implementation of Community Improvement Plans pursuant to the Planning Act, R.S.O., 1990 c. P.13. It is the intent of Council that the entire *urban area* or any part of the *urban area* as defined in this Plan, and as subsequently amended, may by by-law be designated as a Community Improvement Project Area.

6A.2 When designating Community Improvement Project Areas, one or more of the following characteristics may be present:

a) building stock or property in need of rehabilitation;

b) buildings and *structures* of heritage or architectural significance;

c) encroachment of incompatible land uses or activities;

d) deteriorated or insufficient physical infrastructure such as, but not limited to, sanitary and storm sewers and water mains, public transit, roads/streets, curbs, sidewalks, street lighting and utilities;

e) deteriorated or insufficient *community facilities/services* such as, but not limited to public indoor/outdoor recreational facilities, public open space and public social facilities;

f) inadequate mix of housing types;

g) inadequate *affordable* housing;

h) known or perceived environmental contamination;

i) deteriorated or insufficient parking facilities;

j) poor overall visual amenity of the area, including, but not limited to streetscapes and urban design;

k) existing Business Improvement Areas or potential for inclusion in a Business Improvement Area designation, provided such designation is in conformity with the Niagara Escarpment Plan;

l) inappropriate road access and traffic circulation;

m) shortage of land to accommodate building expansion and/or parking and loading facilities;

n) other barriers to the improvement or redevelopment of under utilized land or buildings; or,

o) any other environmental, social, or community economic development reasons for designation.

6A.3 Community Improvement Plans shall provide direction regarding the application of one or more of the following:

a) allocation of public funds such as grants, loans or other financial instruments for the physical rehabilitation, redevelopment or improvement of land and/buildings;

b) municipal acquisition of land or buildings and subsequent land clearance, rehabilitation, redevelopment or resale of these properties or other preparation of land or buildings for community improvement;

c) encouragement of infill and rehabilitation where feasible;

d) promotion of historic preservation through the appropriate local, provincial and federal legislation;

e) promotion of the viability of Commercial areas through the establishment and support of Business Improvement Areas; and,

f) other municipal actions, programs or investments for the purpose of strengthening and enhancing neighbourhood stability, stimulating production of a variety of housing types, facilitating local economic growth, improving social or environmental conditions, or promoting cultural development.

g) Identification of *cultural heritage resources* which shall be, wherever possible, conserved through appropriate adaptive reuse and alterations. Demolition of heritage structures shall be discouraged.

6A.4 All *developments* participating in programs and initiatives contained within Community Improvement Plans shall:

a) conform to the policies contained in this Plan,

b) comply with all municipal by-laws and regulations of the City;

c) comply with the Niagara Escarpment Plan, in accordance with Section C.1.0 – Provincial Plans with Designations; and,

d) obtain a Niagara Escarpment Development Permit where applicable.

6A.5 Council shall determine the priorities and sequences in which designated Community Improvement Project Areas shall have individual Community Improvement Plans prepared.

6A.6 Any Community Improvement Plan shall endeavour to co-ordinate individual initiatives to improve properties with municipal actions to upgrade physical infrastructure and community services and promote new types of housing.

6A.7 Council shall be satisfied that community improvements are within the financial capability of the City.

6B Brownfield Sites

6B.1 There are many complex and interconnected reasons for promoting and implementing brownfield *redevelopment*. There are significant and immediate economic, environmental and social benefits from regenerating these "legacy" properties. The City, in addition to other economic development objectives, shall pursue the *redevelopment* of brownfield sites and promote opportunities for employment and *residential intensification by*:

a) continuing to liaise with other levels of government, agencies, and the private sector to endorse and amend existing legislation, regulations and standards, including the addressing of liability issues for land owners;

b) undertaking studies to identify priority brownfield sites for *redevelopment*;

c) providing the necessary financial assistance to developers and landowners to make the *redevelopment* of brownfield sites a viable option; and,

d) ensure a wide variety of investment opportunities are available throughout the City and provide potential employment users with a range of alternative sites of various size in a variety of locations throughout the City.

Appendix L

Comparison of Development Costs – Brownfields vs. Greenfields

Cost Comparison of Brownfield vs. Greenfield Development New 40,000 sq.ft. Industrial Manufacturing Facility on a 2 Acre Site in Hamilton, ON. Scenario 1 – Land Purchased for $1

Assumptions:

Moderate level of contamination - $450,000 in clean-up costs

Property already serviced/zoned for Industrial
use No Industrial Development Charges
No Parkland Dedication for Brownfield Site

Scenario 1
Land Purchased for $1

Item	Brownfield (BF) (Burlington Street)	Greenfield (GF) (Stoney Creek Business Park)
Land Purchase	$1.00	$160,000.00
Building Construction @$45/sq.ft.	$1,800,000.00	$1,800,000.00
Building Permit Fee	$23,600.00	$23,600.00
Site Plan Control Application	$1,000.00	$1,000.00
Parkland Dedication (2% of Land Value)	$0.00	$3,200.00
Clean-up of property with medium level contamination	$450,000.00	$0.00
TOTAL	**$2,274,601.00 $1,987,800.00**	
Increase in Development Costs of BF over GF	**$286,801.00 14.4%**	

Scenario 2
Land Purchased for $120,000 (50% of clean market value)

Item	Brownfield (BF) (Burlington Street)	Greenfield (GF) (Stoney Creek Business Park)
Land Purchase	$120,000.00	$160,000.00
Building Construction @$45/sq.ft.	$1,800,000.00	$1,800,000.00
Building Permit Fee	$23,600.00	$23,600.00
Site Plan Control Application	$1,000.00	$1,000.00
Parkland Dedication (2% of Land Value)_	$0.00	$ 3,200.00
Clean-up of property with medium level contamination	$450,000.00	$0.00
TOTAL	**$2,394,600.00**	**$1,987,800.00**
Increase in Development Costs BF over GF	**$406,800.00 20.5%**	

Scenario 3
Land Purchased for $240,000 (100% of clean market value)

Item	Brownfield (BF) (Burlington Street)	Greenfield (GF) (Stoney Creek Business Park)
Land Purchase	$240,000.00	$160,000.00
Building Construction @$45/sq.ft.	$1,800,000.00	$1,800,000.00
Building Permit Fee	$23,600.00	$23,600.00
Site Plan Control Application	$1,000.00	$1,000.00
Parkland Dedication (2% of Land Value)_	$0.00	$3,200.00
Clean-up of property with medium level contamination	$450,000.00	$0.00
TOTAL	**$2,514,600.00**	**$1,987,800.00**
Increase in Development Costs of BF over GF	**$526,800.00 26.5%**	

Cost Comparison of Brownfield vs. Greenfield Development
New 40,000 sq.ft. Industrial Manufacturing Facility on a 2 Acre Site in Hamilton, ON.

Assumptions:

Moderate level of contamination - $450,000 in clean-up costs
Demolition of 40,000 sq.ft.@$3.50 per sq.ft.
Property already serviced/zoned for Industrial use
No Industrial Development Charges
No Parkland Dedication for Brownfield Site

Scenario 1
Land Purchased for $1

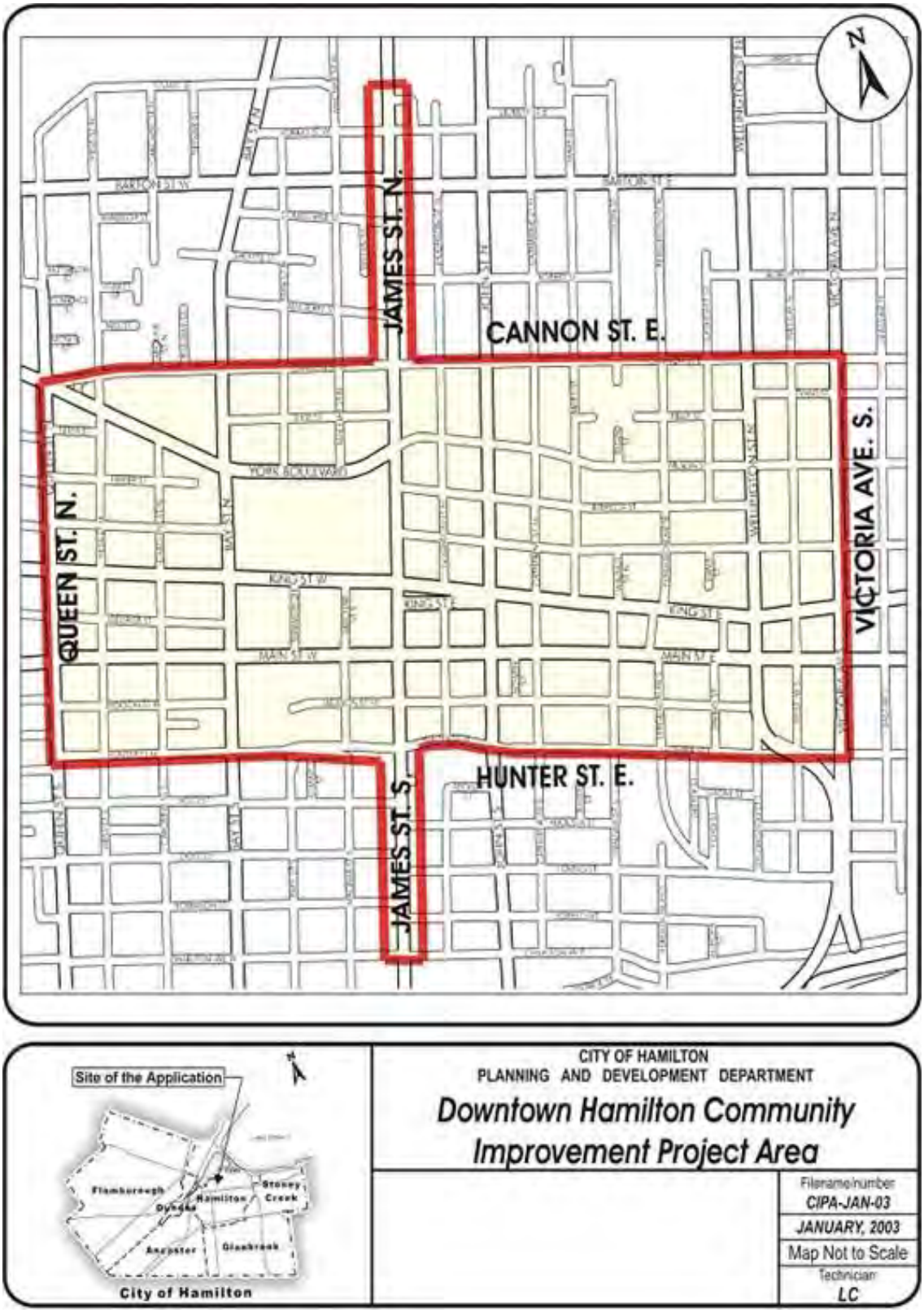
Item	Brownfield (Burlington Street)	Greenfield (Stoney Creek Business Park)
Land Purchase	$1.00	$160,000.00
Demolition	$140,000.00	$0.00
Building Construction @$45/sq.ft.	$1,800,000.00	$1,800,000.00
Building Permit Fee	$23,600.00	$23,600.00
Site Plan Control Application	$1,000.00	$1,000.00
Parkland Dedication (2% of Land Value)_	$0.00	$3,200.00
Clean-up of property with medium level contamination	$450,000.00	$0.00
TOTAL	**$2,414,601.00**	**$1,987,800.00**
Increase in Development Costs of BF over GF	**$426,801.00 21.5%**	

Scenario 2
Land Purchased for $120,000 (50% of clean market value)

Item	Brownfield (Burlington Street)	Greenfield (Stoney Creek Business Park)
Land Purchase	$120,000.00	$160,000.00
Demolition	$140,000.00	$0.00
Building Construction @$45/sq.ft.	$1,800,000.00	$1,800,000.00
Building Permit Fee	$23,600.00	$23,600.00
Site Plan Control Application	$1,000.00	$1,000.00
Parkland Dedication (2% of Land Value)_	$0.00	$3,200.00
Clean-up of property with medium level contamination	$450,000.00	$0.00
TOTAL	**$2,534,600.00**	**$1,987,800.00**
Increase in Development Costs of BF over GF	**$546,800.00 27.5%**	

Scenario 3
Land Purchased for $240,000 (100% of clean market value)

Item	Brownfield (Burlington Street)	Greenfield (Stoney Creek Business Park)
Land Purchase	$240,000.00	$160,000.00
Demolition	$140,000.00	$0.00
Building Construction @$45/sq.ft.	$1,800,000.00	$1,800,000.00
Building Permit Fee	$23,600.00	$23,600.00
Site Plan Control Application	$1,000.00	$1,000.00
Parkland Dedication (2% of Land Value)_	$0.00	$3,200.00
Clean-up of property with medium level contamination	$450,000.00	$0.00
TOTAL	**$2,654,600.00**	**$1,987,800.00**
Increase in Development Costs of BF over GF	**$666,800.00 33.5%**	

Appendix M

Downtown Hamilton Community Improvement Project Area Boundary