

What is the Province of Ontario doing to promote brownfield development?

Recent provincial initiatives have focused on reducing the environmental liability, financial and planning barriers to brownfield development. Since 2001, the Provincial government has passed a number of changes to Ontario law and enacted new regulations in order to encourage the development of brownfield sites while maintaining or improving environmental protection. This includes:

- Limited exemption from regulatory liability (from the Ministry of Environment) for owners voluntarily filing RSC's
- Creation of a publicly accessible Environmental Site Registry for RSC's
- Enhanced procedures for the preparation of Phase I and Phase II ESAs
- Standards for "qualified persons" conducting environmental site assessments, supervising environmental remediation, and signing RSC's
- A revised process for filing RSCs
- Strengthened soil and groundwater standards
- Introduction of a streamlined risk assessment process
- Expansion of the types of costs that are eligible for grants and loans under Community Improvement Plans.
- Education property tax assistance to owners cleaning up and redeveloping their brownfield properties
- Enhanced tools for municipalities to offer financial incentives to promote brownfield development and deal with brownfield properties in tax arrears

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Township of West Lincoln Brownfield Information Package



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What are brownfields?

“Brownfields” are abandoned, idled, or underused properties where expansion or redevelopment is complicated by real or perceived environmental contamination as a result of historical industrial or commercial land use practices. Brownfields are often also characterized by building deterioration/obsolescence, and/or inadequate infrastructure. Brownfields can include many uses such as old landfills and abandoned factories to dry cleaners and former gasoline stations. Most brownfields are located in urban areas and many are located in key locations such as in the downtown or along the waterfront. It is conservatively estimated that there are as many as 30,000 brownfield sites in Canada.



Why is brownfield clean up and redevelopment important?

Brownfields can have a number of significant negative environmental, economic and social impacts on a community. If left in their deteriorated state, brownfield sites can:

- Potentially harm human health and the environment
- Reduce local employment and economic growth opportunities
- Reduce property tax revenues for the municipality
- Lower surrounding property values, create land use conflicts, contribute to neighbourhood deterioration, and negatively impact the quality of life in a community
- Contribute to urban sprawl as businesses and residents relocate to farmland and open space outside the existing urban area, also known as “greenfields”.
- Attract vandalism, open dumping, and other illegal activity that can lead to “urban blight”
- Require additional police, fire and other public services

- Obtain stakeholder and public input
- Circulate Draft CIP to commenting agencies
- Finalize CIP with regard to comments received
- Hold formal Public Meeting under the Planning Act
- Adoption of CIP by Council
- Implementation of CIP

A number of public meetings will be held throughout the preparation of the Brownfields CIP to help ensure that the input of key stakeholders including property owners, developers and the public is appropriately considered.



What is Niagara Region doing to promote brownfield development?

In 2002, the Regional Municipality of Niagara approved its Smarter Niagara Incentive Programs and in April of 2003, the Region formally approved a series of detailed brownfield financial incentive programs. These include:

- An Environmental Assessment Grant Program to assist with the costs of conducting environmental studies
- A tax-increment financing (TIF) based grant program to provide grants to help offset the costs of environmental remediation.
- A Municipal Brownfield Leadership Program to help fund public-private partnerships to clean up brownfield sites, as well as marketing and educational programs.

Municipalities in the Region of Niagara wishing to take advantage of this Regional funding must prepare and adopt CIPs. The Region also offers a Development Charge Reduction Program which provides a 50% reduction of Regional development charges payable for development on brownfield sites. An additional 50% reduction in Regional development charges payable is available for development on brownfield sites that also achieve at least three of the Region’s five Smart Growth Principles. The Region has been working with local municipalities in Niagara to promote brownfield development, including providing local municipalities with funding to help them prepare Brownfield CIPs.

What is the Township of West Lincoln doing to promote brownfield redevelopment?

One of the first steps the Township took was to apply to the Federation of Canadian Municipalities (FCM) for funding to help undertake the preparation of a Community Improvement Plan (CIP) for Downtown Smithville and a Brownfield CIP for West Lincoln. After receiving funding approval from the FCM, the Township prepared the Downtown Smithville CIP which was adopted by Council in September of 2009. The Township has now initiated preparation of the Brownfield CIP to provide improved municipal support to further stimulate brownfield redevelopment.

In February of 2008, the Township of West Lincoln adopted an Official Plan Amendment to introduce new community improvement policies and new potentially contaminated sites policies. The new potentially contaminated sites policies will help ensure that contaminated and potentially contaminated sites have been adequately identified, assessed and remediated prior to being redeveloped. The Town's Official Plan Amendment was approved by the Region in June of 2008.

As part of the Brownfield CIP, an environmental due diligence procedure will be developed to implement the potentially contaminated sites policies in the Township Official Plan. It is intended that this procedure will be utilized by Township Planning and Building staff in their review of planning and building permit applications to help ensure that potentially contaminated sites have been adequately identified, assessed and remediated prior to being redeveloped.

The Brownfield CIP will set the legislative, policy and financial framework for the Township to promote brownfield development in West Lincoln. The Brownfield CIP will enable the Township to identify priority brownfield areas, offer financial incentive programs, and undertake municipal leadership actions such as land acquisition, preparation and participation in pilot projects. The CIP will also allow the Township to take advantage of Regional, Provincial and Federal financial incentives for brownfields.

Steps in the Preparation of a CIP

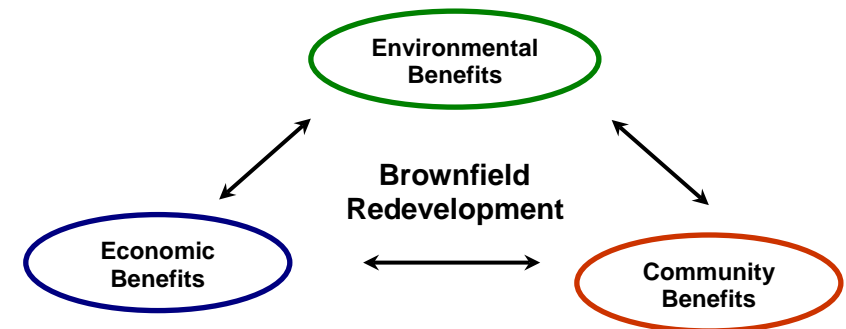
- Initiate preparation of the CIP
- Review background policies and studies
- Review best practices in other municipalities
- Analyze existing conditions and critical needs
- Introduce study to the public and obtain stakeholder input
- Identify/designate appropriate community improvement project area
- Identify goals/objectives of the CIP
- Prepare a Draft CIP

Communities across Canada, including the Township of West Lincoln, have begun to realize that brownfield development can transform environmentally impaired properties into productive economic uses, and can result in the following interrelated environmental, economic and community benefits:

- Improvements in environmental quality (soil, air and ground water)
- Improvements to human health
- Protection of groundwater resources, wetlands and wildlife habitats
- Utilization of existing sewer, water and road infrastructure, resulting in the reduction of urban sprawl and its associated costs
- Economic growth, including the retention and creation of local jobs
- Increased property tax revenues
- Revitalization of neighbourhoods and employment areas
- Increased affordable housing opportunities.

Environmental Benefits

A U.S. study estimated that for every acre of brownfield land redeveloped, a minimum of 4.5 acres of greenfield land can be saved. A study of brownfield development in Canada found that every \$1 spent in the Canadian economy on brownfield development generates approximately \$3.80 in total economic output in all industries in the Canadian economy.



Before



After

What are the key impediments to brownfield redevelopment?

Historically, developers have avoided potential brownfield development opportunities due to a number of key impediments including:

- Cost and lack of funds to conduct required environmental studies
- Cost and lack of funds to clean up contaminated sites prior to redevelopment
- Difficulty obtaining project financing from traditional sources of development capital
- Significant demolition and infrastructure upgrading costs
- Fear of regulatory (government) and civil liability due to environmental contamination
- Uncertain, lengthy and complicated environmental remediation and planning approval processes
- Community and neighbourhood concerns and opposition.

Numerous studies have shown that the costs to develop brownfields are greater than greenfields. However, positive experience and results in Canada and the U.S. have shown that the challenges to brownfield redevelopment can in fact be overcome to produce a profit for the developer and significant economic, environmental and social benefits for the community.

How can these impediments be overcome?

There are several ways that developers can overcome the impediments to brownfield development. One of the keys to reducing clean up costs is to conduct a detailed environmental site assessment (ESA). This includes:

- a Phase I ESA (records review and site visit), and where indicated by the Phase I ESA;
- a Phase II ESA (analytical sampling, testing and reporting).

The costs of environmental cleanup can be reduced through the use of innovative site remediation technologies such as:

- In-situ bio-remediation (injection of nutrients to stimulate micro-organisms in the soil and groundwater to neutralize contaminants)
- Phytoremediation (use of plant materials to neutralize contamination)
- Chemical oxidation
- Multi-phase extraction
- Air sparging

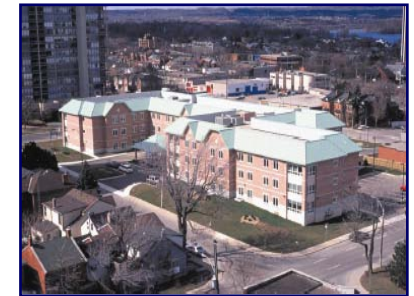
Once a site has been assessed and remediated (if necessary), developers in Ontario can file a Record of Site Condition (RSC) with the Ministry of Environment (MOE). The RSC summarizes the environmental condition of

the site and provides developers with limited liability protection from MOE orders. Developers should also weigh the costs of remediating contaminants versus the costs of leaving them in place through the use of risk assessment (RA) and risk management.

Owners and developers of brownfield sites can reduce their potential liability through the purchase of environmental insurance products that cap clean up costs and provide coverage for any third party civil claims.



Before



After

Municipalities can play a key role in helping overcome many of the impediments to brownfield redevelopment. For example, municipalities can develop and implement standardized procedures for dealing with planning applications on brownfield sites. This helps to provide brownfield developers with certainty in the planning approvals process. Municipalities can also put in place internal teams or an individual (often known as a “brownfield coordinator”) to assist property owners and developers through the brownfield redevelopment process.

In addition to procedural improvements, municipalities can also offer financial incentives in the form of grants, loans and property tax assistance to promote brownfield redevelopment by helping to offset the costs of environmental studies and remediation, building rehabilitation, and even the cost of construction of energy efficient buildings. These financial incentives can be offered by a municipality within a Community Improvement Plan (CIP). Dozens of municipalities in Ontario have now adopted Brownfield Community Improvement Plans that include some or all of these incentive programs. Municipalities can also offer other financial incentive programs to promote brownfield redevelopment, such as the reduction of development charges and planning and building permit fee rebates or equivalent grants.

A number of Ontario municipalities have also adopted non-financial incentives to promote brownfield redevelopment. These include measures such as reduced parkland dedication and parking requirements and density bonusing on brownfield sites.