

Brownfield Strategy and Community Improvement Plan Review

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Type:	Managers' Reports
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Recommended by:	General Manager of Growth and Infrastructure
File Number:	N/A

Report Summary

This report provides a recommendation on the Brownfield Strategy and Community Improvement Plan Review.

Resolution

THAT The City of Greater Sudbury directs staff to return with a draft amendment to the Brownfield Strategy and Community Improvement Plan by the end of Q4, 2024, as outlined in the report entitled “Brownfield Strategy and Community Improvement Plan Review” from the General Manager of Growth and Infrastructure, presented at the Planning Committee meeting of March 18, 2024.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

Reviewing and updating the Brownfield Strategy and Community Improvement Plan is directly related to goal 1.4 of Council’s Strategic Plan which seeks to reinforce infrastructure for new development. Specifically, the City seeks to demonstrate the creative use of Community Improvement Plans and Development Charges to incentivize economic growth.

Providing incentives to develop and redevelop the city's brownfield sites is consistent with Goal 1 of the CEEP, which seeks to help sustain compact, complete communities.

Financial Implications

There are no financial implications associated with this report. Financial implications related to any proposed draft CIP amendments will be presented in a future report.

Background

The Province of Ontario, through the 2020 Provincial Policy Statement, defines “brownfield sites” as “undeveloped or previously developed properties that may be contaminated. They are usually, but not

exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant” (See page 40, Reference 1).

There are many properties in the city that meet the definition of a brownfield. Often, these brownfield sites are located along strategic corridors where public investments in hard and soft infrastructure have been focused. Repurposing brownfields helps improve the environment, stimulates economic development, increases the municipal assessment and tax revenue base, capitalizes on past and ongoing investments, and improves the City’s appearance.

The City of Greater Sudbury’s Brownfield Strategy and Community Improvement Plan (BSCIP) was designed to help revitalize brownfields. The BSCIP was adopted by City Council on October 12, 2011, and amended by By-law 2013-193 on August 13, 2013 (See Reference 2). It has been more than 10 years since the last update of the BSCIP.

Existing BSCIP Financial Incentive Programs

The BSCIP applies to Urban Brownfields and to Rural Brownfields. The City has four programs to help remove the barriers to brownfield redevelopment and to reduce the upfront costs associated with the redevelopment of Urban Brownfields:

- **Tax Assistance Program:** defers or cancels 100% of the municipal and education portion of the property tax (education portion subject to Minister of Finance approval) during the rehabilitation period and development period (up to 18 months).
- **Landfill Tipping Fee Rebate Program:** reduces landfill tipping fees to \$36 per metric tonne for impacted soil being removed from a brownfield, as long as it can be used at the City’s landfill site. The maximum grant per property is \$40,000, while the maximum annual program spending is capped at \$200,000.
- **Planning and Building Permit Fee Rebate Program:** refunds all or part of planning and building permit fees in the redevelopment of a brownfield, after certain performance criteria are met. The maximum grant per property is \$70,000, while the maximum annual program spending is capped at \$350,000.
- **Tax Increment Equivalent Grant Program:** grants 100% of the incremental increase in the municipal portion of the property tax revenue associated with a project for a period of up to five years. The amount of assistance provided under this program varies.

To be eligible, the Urban Brownfield property must:

- be located in the community improvement project area
- be an urban property
- have been previously used for commercial or industrial purposes
- be vacant, derelict or at risk
- be the subject of a residential or mixed-use, re-use or redevelopment proposal; and,
- have a “failed” Phase 2 Environmental Site Assessment.

Rural brownfields are properties outside of our urban areas that have abandoned mine sites with mine hazards. The City has two programs to help reduce upfront costs associated with the rehabilitation and redevelopment of rural brownfields:

- **Non-Urban Tax Increment Equivalent Grant Program:** grants all or a portion of the incremental increase in the municipal portion of the property tax revenue associated with a project for a period of up to ten years. The amount of assistance provided under this program varies.
- **Tax Assistance Program:** defers or cancels 100% of the municipal and education portion of the

property tax (education portion subject to Minister of Finance approval) during the rehabilitation period and development period (up to 18 months). The amount of assistance provided under this program varies.

To be eligible, the Rural Brownfield property must:

- be located in the community improvement project area
- be a non-urban property
- contain an abandoned mine site(s)
- contain mine hazard(s) that require rehabilitation to the prescribed standards of the Mining Act
- be the subject of a proposal for a mining and mining-related use or other industrial use that will not preclude future mining activities and which conforms with the Official Plan; and,
- proposed to be used for a use that would have a significant net new economic impact.

Uptake of Existing Programs

Since the adoption of the BSCIP, the City has approved 3 applications under the Urban Brownfield program. These are:

- 29 Côté Blvd, Chelmsford
- 185-227 Lorne, Sudbury (the “Brewer Lofts” development)
- 300 Elgin Street block, Sudbury (“Le Ledo” development)

To date, none of these projects proceeded past the CIP approval stage.

Municipal Best Practice Review

Staff has reviewed other municipal Brownfield CIPs and associated information (e.g., websites, brochures, staff reports, etc.). This provisional scan has confirmed that most municipalities have programs like Greater Sudbury’s, including:

- Tax Increment Equivalent Grant (TIEG)
- Tax Assistance Program
- Planning and Building Fees Rebate Program
- Landfill Tipping Fee Rebate Program

Greater Sudbury appears to be unique in offering a Rural Brownfield CIP program focused on rehabilitating properties with abandoned mine sites and mine hazards.

Staff has also found programs in other municipalities that do not exist in Greater Sudbury’s BSCIP, including:

- Grants to undertake Phase 1 and/or Phase 2 Environmental Site Assessments (e.g., 50% of the costs up to a set amount)
- Façade Improvement Grants
- Rehabilitation and Redevelopment Grants and/or Loans (e.g., 50% of the cost of rehabilitating the property to permit a record of site condition to be filed - to a maximum limit per property)
- Development Charge Deferral Program (e.g., 50% deferment with a preferred annual interest charge – for a set amount of years).

Some municipalities (e.g., Barrie, North Bay, Thorold) include a chapter/section/mention in an overall CIP, rather than have a standalone Brownfields CIP. Some municipalities have programs (or increased/different incentives) based on where the property is located (e.g., Kingston, Hamilton, Greater Sudbury).

Review Methodology

The review of the BSCIP would be undertaken in phases, beginning in April, 2024 and culminating by the end of 2024. The process would be led by Planning Services and involve an internal review team.

Phase 1 – Understanding (Q3, 2024)

- Create internal staff team to review existing policies (e.g., Planning, Economic Development, Building Services, Finance, Real Estate, etc.)
- Review Provincial legislation, policies and programs
- Continue best practice review
- Conduct Key Stakeholder interviews
- Update findings (and appendices) used in BSCIP.

Phase 2 – Formulate Draft Amendment (Q4, 2024)

- Based on the results of Phase 1, return to Planning Committee by the end of Q4, 2024, with a proposed CIP amendment and seek direction to commence public consultation
- Public consultation would take several forms, including meeting with key stakeholders and hosting public open houses to solicit feedback on the draft CIP amendment.

Phase 3 – Finalize and Adopt CIP Amendment (Q1, 2025)

- Staff would finalize the proposed amendment based on feedback receiving during Phase 3. The formal Planning Act process would follow, which includes open houses, public meeting, adoption and appeal rights.

Phase 4 – Promote, Implement and Monitor Changes to CIP (2025 and beyond)

- Once in effect, the CIP would be promoted through the City website. Staff would continue to provide annual reports regarding the implementation of the CIP.

Summary and Recommendation

This report outlines the City's Brownfields Strategy and Community Improvement Plan (BSCIP), its financial incentive programs, as well as the uptake of the plan since its adoption in 2011. The report also included a preliminary review of municipal best practices which points to potential new programs to explore in a revised CIP framework. It is recommended that staff be directed to develop a proposed amendment to the BSCIP following the above-described work program.

Resources Cited

1. Provincial Policy Statement, 2020
<https://files.ontario.ca/mmah-provincial-policy-statement-2020-accessible-final-en-2020-02-14.pdf>
2. Brownfield Strategy and Community Improvement Plan
<https://www.greatersudbury.ca/linkservid/BC874905-FD36-3989-E4A00284073C255B/showMeta/0/>