

Report to Planning and Environment Committee

To: Chair and Members
Planning and Environment Committee

From: Scott Mathers, MPA, P.Eng.
Deputy City Manager, Housing and Community Growth

Subject: Brownfield Community Improvement Plan - Status of Current Commitments

Date: April 14, 2026

Recommendation

That, on the recommendation of the Deputy City Manager, Housing and Community Growth, the following actions **BE TAKEN** with respect to current commitments under the Brownfield Community Improvement Plan:

- a) That, the following report **BE RECEIVED** for information,
- b) That, Civic Administration **BE DIRECTED** to enter into agreements with currently approved Brownfield CIP applicants establishing milestones including the filing of a Record of Site Condition and obtaining a building permit, to strengthen monitoring and accountability for existing Brownfield CIP commitments.

Executive Summary

The Brownfield Community Improvement Plan (CIP) supports the cleanup and redevelopment of contaminated properties by offering financial incentives to property owners. The recommendation to establish formal agreements with milestones for currently approved Brownfield CIP applicants is also informed by the recent Community Improvement Plans Audit, which identified the value of stronger project-level monitoring and the use of milestones or phased approaches to support accountability in incentive programs. Following direction from Municipal Council, this report provides an update on six approved Brownfield projects with committed funding. To prepare this report, Civic Administration requested updated development information from each applicant, revealing each of the projects are at various development stages.

Civic Administration recommends entering into formal agreements with each applicant that include clear timelines and milestones, such as obtaining building permits and completing remediation requirements. Projects that do not demonstrate progress may lose their funding, allowing the city to reallocate resources. A broad review of the Brownfield CIP is currently underway, with updates expected in late 2026, which align with the recommendations within this report.

Linkage to the Corporate Strategic Plan

This report supports the 2024-2027 City of London Strategy Plan and directly aligns with the following Areas of Focus:

Housing and Homelessness

- London's growth and development is well-planned and considers use, intensity, and form

Wellbeing and Safety

- By promoting neighbourhood planning and design that creates safe, accessible, diverse, walkable, healthy, and connected communities

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- November 30, 2015 -- [Planning and Environment Committee](#) -- [Application for Brownfield Incentives by 2386225 O - 2015-11-30 Staff Report - 585 Waterloo Street.pdf](#)
- July 16, 2018 -- [Planning and Environment Committee](#) -- [2018-07-16 SR - Brownfield Incentives - 391 South Street.pdf](#)
- April 24, 2017 -- [Planning and Environment Committee](#) -- [STAFF REPORT - Application by McCormick Villages - 2017-04-24 SR - 1156 Dundas Street.pdf](#)
- October 18, 2021 -- [Planning and Environment Committee](#) -- [2021-10-18 SR 250-272-Springbank-Drive - Full.pdf](#)
- November 13, 2023 -- [Planning and Environment Committee](#) -- [2023-11-13 Staff Report - \(2.1\) 400 Southdale Road East - Brownfield CIP Incentives - Full.pdf](#)
- July 16, 2024 -- [Planning and Environment Committee](#) -- [2024-07-16 - Staff Report \(3.8\) - 359 Wellington Road and 657 Base Line Road East - Z-9719.pdf](#)

1.2 Brownfield Community Improvement Plan

The Community Improvement Plan (CIP) for Brownfield Incentives ('Brownfield CIP') was adopted by Municipal Council on February 20, 2006, and approved by the Province of Ontario with modifications on November 21, 2006.

The purpose of the Brownfield CIP is to remove or reduce the obstacles that hinder brownfield remediation and redevelopment. The financial incentive programs are used to evaluate contaminated properties and encourage the private sector to invest in those properties. Civic Administration employs three incentive programs to encourage the investigation, remediation, and redevelopment of brownfield sites.

The Contamination Assessment Study Grant Program assists property owners in conducting a Phase II Environmental Site Assessment (ESA) and is capped at \$10,000 per property. Municipal Council approval is not required for the Study Grant Program.

The remaining two programs: Development Charge Rebate Grant and Tax Increment Equivalent Grant require Municipal Council approval. These programs may be significant in terms of financial assistance and are considered based on the evaluation of a business case from the applicant and the availability of program funding.

Under the Brownfield CIP, payments reimburse verified eligible remediation costs only after standard conditions are met: completion of remediation, filing of a Record of Site Condition, submission of paid invoices, payment of Development Charges in accordance with the chosen method, and, for Tax Increment Equivalent Grants, reassessment by the Municipal Property Assessment Corporation (MPAC). The total value of all grants for a property cannot exceed the verified eligible remediation costs.

1.3 February 10, 2026, Municipal Council Direction

At its meeting held on February 10, 2026, Municipal Council resolved:

That the Civic Administration BE DIRECTED to report back to a future meeting of the Planning and Environment Committee in Q2 2026 with a list of current Brownfield CIP approvals including the municipal funding allocation, project status updates for each site, and recommendations for any inactive or unprogressed applications for Council's consideration including but not limited to a sunset provision;

This report has been brought forward for Municipal Council's consideration in response to the above resolution.

2.0 Discussion and Considerations

2.1 Summary of Existing Brownfield Commitments

Civic Administration reviews a Brownfield CIP application before a Planning and Environment Committee (PEC) report is written seeking Municipal Council's approval.

A property is likely eligible for Brownfield CIP incentives if a Phase II Environmental Site Assessment for the property identifies that remediation (or risk assessment) must occur to construct a more sensitive use on the site and a Record of Site Condition must be filed with the Ministry of the Environment.

Civic Administration reviews an application against the requirements outlined in the Brownfield CIP and the relevant Provincial legislation. If the review recommends approval, Civic Administration submits a report to PEC recommending Municipal Council approve the application up to a maximum amount based on the review and the cost estimate provided by the applicant.

Historically, a grant agreement was not executed between the City and the applicant until a milestone was reached where grant payment was imminent. As outlined in Section 4.0, this report is recommending a more proactive approach where Civic Administration and the applicant enter into the grant agreement sooner.

This more proactive approach is also consistent with the recent Community Improvement Plans Audit. While the audit reviewed other Community Improvement Plans rather than the Brownfield CIP specifically, it identified limited project-level outcome monitoring as an area for improvement and recommended linking incentives to milestones or phased disbursement. The recommendation in this report responds to that broader program administration direction by establishing clearer milestones for existing Brownfield CIP commitments.

Civic Administration has contacted each applicant that is currently approved for Brownfield CIP funding through a commitment from Municipal Council. In total, there are six approved applications with funding committed that remain outstanding at various stages. Table 1 provides a summary of these current commitments.

Table 1: Summary of Current Brownfield Commitments

Site (address and applicant)	Council Date & Approved Maximum Funding	Development (summary)	Status and next steps
585 Waterloo Street - 2386225 Ontario Limited	\$275,000 committed on December 8, 2015	31–33 condominium homes	Site Plan Application (SPA) on hold. Owner exploring partnership and affordability options, likely re-designing the building; re-application and updated business case anticipated.
375 and 391 South Street - Medallion Realty Holdings Limited	\$4,328,520 committed on July 24, 2018	Approximately 620 residential units.	SPA approved; building permit issued; structure topped off April 2024; partial occupancy underway; awaiting updated timeline from applicant.
1156 Dundas Street - McCormick Villages Inc.	\$2,500,000 committed on May 2, 2017	Adaptive reuse of heritage building for mixed residential, office, and commercial uses; new seniors housing and townhouses.	Awaiting final subdivision and zoning approval; major cleanup complete; parcel sold to Extencicare (retirement home underway); renovation of heritage building targeted for 2027.
250–272 Springbank Drive -	\$2,895,020 committed on	Approximately 260 units including 28	SPA on hold; applicant pursuing two joint-venture partners; intends to start

Site (address and applicant)	Council Date & Approved Maximum Funding	Development (summary)	Status and next steps
2355440 Ontario Inc. (RAND Developments)	October 26, 2021	affordable units; demolition of ~2,895 m ² .	within approximately 18 months, subject to financing.
400 Southdale Road East - LJM Developments (Halton Hills) Inc.	\$624,000 committed on November 28, 2023	Approximately 179 residential units.	Project on hold due to market conditions; no recent Site Plan progress; property listed for sale August 28, 2025.
359 Wellington Road and 657 Base Line Road East - LJM Developments (London) Inc.	\$2,100,000 committed on March 4, 2025	23 storeys; 250 units; six-storey podium; 118 underground parking spaces; 192 bicycle spaces;	SPA on hold; project on hold due to market conditions; publicly listed for sale for approximately \$4,600,000.

These projects represent a range of residential and mixed-use development at varying stages of planning, remediation and construction. While some projects have advanced, others remain on hold due to market conditions. Rather than cancelling commitments to projects prematurely or allowing them to remain indefinitely on hold, Civic Administration is recommending the City enter into formal agreements with each of the applicants, further details are included in section 4.0 of this report.

2.2 Brownfield Community Improvement Plan Review

Civic Administration is currently reviewing the Brownfield Community Improvement Plan, which was first approved by Council in 2006. This review will include an analysis of current incentive programs, eligibility criteria, terms and conditions of funding, goals and objectives of the Brownfield CIP, and updates to coincide with current legislation. Recommendations, including improvements to the funding commitment process, from this review will be included in a revised CIP expected to be presented to Municipal Council in Q4 2026.

3.0 Financial Impact/Considerations

There are no new financial considerations or impacts arising from this report. Grant payments under the Brownfield Community Improvement Plan occur only after all conditions are met (remediation completion, Record of Site Condition filed with the province, submission of paid invoices for eligible costs, Development Charges payment in accordance with the chosen method, and where applicable – reassessment by MPAC).

Funding to support the six commitments is allocated within the Community Improvement Program Reserve Fund. The commitments are monitored and revised as developments progress to accurately reflect the expected timing and payments from the reserve fund. If any of the current commitments are cancelled by Municipal Council, the associated funds would be released to the reserve fund, creating additional capacity for future applications.

4.0 Next Steps

Civic Administration is recommending that the City enter into formal agreements with each approved applicant to establish clear and measurable project milestones. This approach communicates the municipality's expectations regarding the actions and progress required to maintain eligibility for previously approved Brownfield funding, while also providing milestones to be met for projects that have not produced results.

This recommended approach is further supported by the recent Community Improvement Plans Audit, which noted the importance of stronger post-funding monitoring and recommended linking incentives to milestones or phased disbursement. Establishing agreements at this stage with defined milestones, including the filing of a

Record of Site Condition and obtaining a building permit, will improve accountability for current Brownfield CIP commitments while the broader Brownfield CIP review is underway.

Applicants will be required to sign the agreement within 60 days of notification. Failure to do so, or if an applicant declines, will result in the municipality voiding the brownfield funding commitment for the property.

Upon signing the agreement, applicants will be subject to the following terms and conditions:

1. A building permit for the identified property and development must be obtained within 12 months of the execution of the agreement.
2. A Record of Site Condition (RSC) must be filed with the Province within 24 months, and the City must be notified upon filing.
3. The applicant may request an extension to the RSC timeline, subject to approval by City staff based on demonstrated circumstances and progress.

This approach provides a clear framework for advancing approved projects within a reasonable timeline while ensuring that previously allocated brownfield funding commitments remain tied to progress. Establishing these agreements also enables the municipality to manage the program efficiently, and reallocate funding where projects have not produced results, while providing transparent expectations to the applicants.

Conclusion

Brownfield Community Improvement Plan incentives continue to serve as an important tool for supporting the remediation and redevelopment of underutilized contaminated properties. By entering into formal agreements with approved applicants, the City can ensure that outstanding commitments are advanced in a structured and accountable manner, while maintaining flexibility for applicants to address unique circumstances.

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