



16 MULTI-YEAR
BUDGET FOR THE
19 CITY OF LONDON
2016 • 2019
INVESTING IN OUR FUTURE



London
CANADA

**2016 – 2019 CITY OF LONDON STRATEGIC MULTI-YEAR BUDGET
ADDITIONAL INVESTMENTS BUSINESS CASE #25 – ADDED -**

STRATEGIC AREA OF FOCUS: GROWING OUR ECONOMY

SUB-PRIORITY: URBAN REGENERATION

STRATEGY: INVEST MORE IN HERITAGE RESTORATION, BROWNFIELD REMEDIATION, URBAN REGENERATION AND COMMUNITY IMPROVEMENT PROJECTS

INITIATIVE: REINSTATE BROWNFIELDS CONTAMINATION ASSESSMENT STUDY GRANT PROGRAM-
BROWNFIELDS COMMUNITY IMPROVEMENT PROGRAM

INITIATIVE LEAD(S): JOHN FLEMING

SERVICE(S): PLANNING SERVICES

TOTAL 2016 – 2019 INVESTMENT REQUESTED (\$000'S): \$80

TOTAL 2016 – 2019 NET BUDGET REQUESTED (\$000'S): \$80

WHAT IS INCLUDED IN THE BASE BUDGET?

There is currently no base budget allocated to the implementation of this initiative.

This initiative will reinstate a previous incentive program under the Brownfields Community Improvement Program. This program provided funding for site assessments to help determine the extent of any brownfield conditions. In accordance with the Program Guidelines, Contamination Assessment Study Grants will only be approved when funding is available within this program.

WHAT NEW INVESTMENT IS REQUIRED FROM PROPERTY TAX?

TAX LEVY IMPACT (\$000'S):	2016	2017	2018	2019	2016-2019 TOTAL	2020-2025
Net Requested Tax Levy (Cumulative)	\$20	\$20	\$20	\$20	\$80	\$0
Net Incremental Tax Levy	\$20	\$0	\$0	\$0	\$0	\$0
Annual Tax Levy Impact	0.01%	0.0%	0.0%	0.0%	0.0%	0.0%

INITIATIVE DELIVERABLES

In response to Council direction of April 14, 2015, Planning staff presented a report to the Planning and Environment Committee on February 1, 2016 with an evaluation of Council's current Community Improvement Plan (CIP) Incentives. In that report, staff provided an overview and summary of the current CIP programs and initiatives, and recommended that Council consider possible changes to the existing programs that would potentially identify savings that could be used to enhance current programs, or provide funding for potential new programs that have been identified by Council. The Committee directed that staff prepare a business case to reinstate funding for the Brownfield Contamination Assessment Study Grant, previously available under the Brownfields Community Improvement Program. This business case proposes to reinstate funding for the Brownfield Contamination Assessment Study Grant program for the period of 2016 to 2019. The review of CIP incentives in 2016 will address a long-term strategy for this program.

This program provides study grants of up to 50% of the cost of a Phase II Environmental Site Assessment (ESA), to a maximum of \$10,000. The program previously funded 12 grants, with a total program cost from 2006 to 2014 of \$93,970.

The lack of information on the existence, type, extent and location of site contamination is a key barrier to the redevelopment of brownfield sites. Although site restoration and redevelopment is the ultimate goal of the Brownfield Incentives CIP, there is value in completing contamination assessment studies to provide information to both landowners and prospective purchasers. Contamination Assessment Grants are designed to stimulate private sector investment by providing accurate information on the extent of contamination that may be present, and the remediation costs that may be incurred to facilitate redevelopment. This information will remove the barrier associated with “unknown” site conditions and remediation costs, providing potential investors with accurate information on remediation costs, associated risks and development potential.

This grant is provided to property owners for 50% of the cost to conduct a Phase II Environmental Site Assessment (ESA), Remedial Action Plan and/or Risk Assessment in accordance with the requirements under the Environmental Protection Act, 2001. The maximum grant provided is \$10,000 per property, and is available on a first come, first served basis. Grants will only be funded to the \$20,000 annual amount available in this program. Copies of the ESA, Remedial Action Plan and/or Risk Assessment must be provided to the City and may be accessed by members of the public.

CUMULATIVE OPERATING BUDGET (\$000'S):	2016	2017	2018	2019	2016-2019 TOTAL	2020-2025
Expenditure	\$20	\$20	\$20	\$20	\$80	\$0
Source of Funding:						
Grants						
User Fees						
Savings from Existing Budget						
Other						
Net Tax Levy	\$20	\$20	\$20	\$20	\$80	\$0
Additional Full-time Equivalents						

METRICS (CUMULATIVE CHANGES)	2016	2017	2018	2019
Number of Contamination Assessment Grants	2	3	3	3
Number of sites remediated	1	1	2	2
Number of sites redeveloped	0	1	1	2

WHAT ARE THE RISKS OF NOT PROCEEDING?

By not reinstating the funding to this program, the amount of private investment in the remediation of brownfield sites to prepare them for redevelopment may decrease in areas that have been targeted for redevelopment. This program provides information regarding the extent of possible site contamination. This information is important in removing the “unknowns” often associated with site conditions and potential site remediation costs, and provides investors and the City with accurate information regarding site remediation costs, risks, and development potential.

Some other specific risks include:

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| 1 | The City will not have site-specific information on brownfield sites, as a requirement of the program is that the Study is available to the City for its use to provide to other potential investors. |
| 2 | Fewer opportunities for community improvement in areas adjacent to brownfield sites due to the lack of development on those sites. |

OTHER INFORMATION TO REFER TO

Report to Planning and Environment Committee on February 1, 2016 – “Evaluation of Community Improvement Plan Incentives” (Agenda Item #10): <http://sire.london.ca/mtgviewer.aspx?meetid=1110&doctype=AGENDA>

The Brownfields Community Improvement Program, adopted by Municipal Council in 2006, describes the incentives available to support the remediation of brownfield sites to encourage redevelopment. One of the incentives available under this program is the Brownfield Contamination Assessment Study Grant Program.

“Community Improvement Plan for Brownfield Incentives”: <http://www.london.ca/business/Planning-Development/fees-incentives/Documents/Brownfield-CIP.pdf>