

Revitalization
Oppportunity
Investment

BROWNFIELDS IN WATERLOO REGION

City of Kitchener & Region of Waterloo
Joint Tax Increment Grant (TIG)
Brownfields Financial Incentive Program

Application Package

July 2010

Revitalization
Oppportunity
Investment

BROWNFIELDS IN WATERLOO REGION



**CITY OF KITCHENER & REGION OF WATERLOO
JOINT TAX INCREMENT GRANT
BROWNFIELDS FINANCIAL INCENTIVE PROGRAM**

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A. GUIDELINES FOR APPLICANTS

The City of Kitchener (Kitchener) in collaboration with the Region of Waterloo (the Region) is offering grants to assist property owners with the remediation and redevelopment of brownfield sites. This Joint Tax Increment Grant (TIG) Program is part of the Region’s Brownfield Financial Incentive Program and is available for brownfield sites within the City of Kitchener. For more information on the details of this program, please see the “Kitchener Brownfield Remediation Community Improvement Plan”, approved November 27, 2003 and amended June 23, 2008 (By-law No. 2008-127).

Potential applicants are advised to contact the City of Kitchener contact (below) for pre-consultation in advance of submitting the completed application form. Questions regarding the criteria, application form or the required supporting documents can be addressed to:

Terry Boutilier, Sr. Business Development Officer & Brownfield Coordinator Business Development Division, Economic Development Department, City of Kitchener 200 King Street West, 1 st Floor, PO Box 1118 Kitchener, ON N2G 4G7 Tel: (519) 741-2303 Fax: (519)741-2722 Email: terry.boutilier@kitchener.ca	Brooke Lambert, Principal Planner Brownfields Coordinator Planning, Housing and Community Services Department Region of Waterloo 150 Frederick Street, 8 th Floor Kitchener, ON N2G 4J3 Tel: (519) 575-4500 Ext. 3113 Fax: (519) 575-4449 Email: lbrooke@region.waterloo.on.ca
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Please note: Applications for the Joint TIG Program must include 2 copies of all supporting documentation.

A1. ELIGIBILITY CRITERIA

Only brownfield sites that have been remediated and redeveloped are eligible to receive TIG funding. A “remediated brownfield” is defined as:

A property which contained environmental contamination either in the ground or buildings due to the operational activities of a previous land use, where the extent of the contamination rendered the property vacant, under-utilized, unsafe, unproductive or abandoned, and for which a Record of Site Condition has been filed.

It is recognized that some brownfield sites will not meet this definition at the time of the initial TIG application because site remediation is not yet complete. Only once the City of Kitchener and Region of Waterloo receives acknowledgment from the Ministry of the Environment that the Record of Site Condition has been filed, will the brownfield site be considered “remediated”.

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To qualify for the TIG, brownfield sites must meet the following eligibility criteria:

1. The site must be located within the City of Kitchener¹;
2. The applicant must be the registered owner of the site or the assignee of the owner and must demonstrate clear title and responsibility for the land at the time the TIG is approved by the City of Kitchener Council and Regional Council;
3. The applicant cannot be responsible for causing the on-site contamination that requires remediation;
4. The remediation and redevelopment undertaken must result in a minimum increased property assessment value of \$100,000;
5. The Phase I and Phase II Environmental Site Assessments must be completed by a “Qualified Person” as defined by Ontario Regulation 153/04², as amended, before a TIG application can be submitted;
6. Redevelopment plans must meet all approved policy and should comply, where feasible and appropriate, with applicable design guidelines;
7. The site must not be in a position of tax arrears or have any other outstanding municipal financial obligations; and
8. Application for a Tax Increment Grant must be made prior to the issuance of a building permit(s) for the redevelopment.

A2. TERMS OF FINANCIAL ASSISTANCE

A TIG is a grant equal to the full amount, or a portion of the amount, that municipal property taxes (Kitchener and Regional) increase after a property is reassessed. The tax increment is calculated using the change in current value assessment following the completion of the remediation & redevelopment of the property. The increase in taxes, or tax increment, is based on the estimated increase in the Kitchener and Regional portion of property taxes and is calculated by subtracting the Kitchener and Regional portion of property taxes before reassessment (pre-remediation & redevelopment) from the Kitchener and Regional portion of property taxes after reassessment (post-remediation & redevelopment). The difference in taxes, or the increment, is used to provide a grant to the applicant for eligible costs associated with environmental remediation. Please see Section A7 for an example of the TIG calculations.

The amount of the TIG will equal up to 100% of the Kitchener and Regional tax portion of property taxes per year for a maximum of ten years or the total cost of remediating the land and buildings minus the total of all grants, loans and other tax assistance provided, whichever occurs first. Calculation of the tax increment grant will occur only after the site has been assessed post-remediation & redevelopment by the Municipal Property Assessment Corporation (MPAC). The TIG will commence in the first year following the post-remediation & redevelopment

¹ The City of Kitchener is also the designated Community Improvement Plan Project Area as per Kitchener By-Law 2003-140.

² Under the *Environmental Protection Act*.

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assessment from MPAC. The tax increment does not include increases/decreases in municipal taxes as a result of annual reassessment cycles and/or due to a general rate increase/decrease or a change for any reason other than the remediation and redevelopment. The TIG also does not exempt property owners from Kitchener or Regional taxes owing prior to, during, and after the remediation and redevelopment is completed. The total of all grants, loans and tax assistance cannot exceed the cost of remediating the lands and buildings net of any other government financial assistance received by the applicant for remediation.

Applicants who are approved for a joint Brownfields TIG are required to enter into a legal agreement with the City of Kitchener and the Region. Applicants may include registered owners or assessed owners of lands and buildings within the City of Kitchener, and any person to whom such an owner has assigned the right to receive a grant or loan who will be responsible for site remediation. For the purposes of this program a “site” consists of one or more parcels that are part of the brownfield redevelopment project for which the TIG application is being made. The applicant responsible for the remediation does not necessarily need to be the same as the developer who will undertake the redevelopment of the site. The legal agreement will set out the terms and conditions of payment, obligations of the municipalities and applicant(s), and the defaults and remedies.

The terms of the TIG are at the discretion of City and/or Regional Council. For sites deemed to be of exceptional size or complexity, that involve phased development, or for those that will involve very lengthy remediation, the TIG payments and schedule may be set on a case by case basis. Council also has the right to include a “Sunset Clause” on the TIG payment schedule. This clause would limit the redevelopment period to five years, after the RSC has been filed. If redevelopment is not completed within the five year time period, the maximum ten year TIG payment schedule may be reduced accordingly.

A3. ELIGIBLE REMEDIATION COSTS

Total Eligible Remediation Costs include the eligible direct costs of remediating a brownfield site plus an allowance to account for indirect remediation costs. Eligible Remediation Costs include:

1. Phase I Environmental Site Assessments;
2. Phase II Environmental Site Assessments (excluding any portion already funded by the Region of Waterloo under its Phase II ESA Grant Program);
3. Environmental remediation work identified in a remediation work plan, excluding work completed prior to 12 months of the filing of a TIG application. Remediation work would include, but is not limited to:
 - a) Remedial work plans;
 - b) Risk assessments;
 - c) Environmental Rehabilitation;
 - d) Disposal of contaminated soil;
 - e) Placing of clean fill and grading;
 - f) Building demolition related to remediation; and
4. Indirect Remediation Costs to a maximum of 10% of eligible remediation costs. Such indirect costs can include planning fees, legal costs, financing fees associated with remediation, insurance premiums, assessment estimates, and the preparation of a Record of Site Condition.

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The applicant must provide estimates of the cost of remediating the property to permit the filing of a Record of Site Condition, the cost of complying with any Certificate of Property Use issued under the Environmental Protection Act, and the cost of any proposed building conversion or rehabilitation proposal, all of which must be prepared by a “Qualified Professional” (QP). The City of Kitchener and the Region reserve the right to independently audit the actual costs incurred at the expense of the applicant.

A4. OFFSETS TO THE TIG

The total amount of the TIG must not exceed the total eligible remediation costs, net of any other government financial assistance (Area Municipal, Regional, Provincial, Federal) received by the developer for remediation. Existing financial assistance programs for brownfield remediation in the City of Kitchener and Region of Waterloo include:

- Regional Phase II Environmental Site Assessment Grant;
- Regional Brownfield Development Charge Exemption;
- Any City of Kitchener Incentive program related to site remediation; and
- Any additional future financial assistance programs for brownfield remediation that may be implemented.

Any financial assistance **unrelated to remediation**, such as planning application fee or development charge exemptions in designated core areas, does not affect the amount of the TIG.

The Applicant will be required to provide particulars of any other financial assistance applied for or received for the site prior to approval of the TIG application.

A5. APPLICATION PROCESS

Application for the TIG should be made as early in the remediation process as possible. The costs of any work undertaken more than 12 months prior to an application are generally ineligible for the grant. Applicants are advised to contact the City of Kitchener or the Region prior to submitting their application and should be made aware early in the process of the following:

- TIG payments do not begin until after remediation and redevelopment of the brownfield site has taken place, and may be several years after an initial application before a grant payment is made;
- Site owners are still responsible for property tax payments during and after the remediation and redevelopment period; and
- TIGs are capped at the lower of the net eligible costs of remediation or the sum of the annual tax increment for 10 years after the redevelopment.

Applications will be reviewed by staff at the City of Kitchener and the Region in order to determine program eligibility. Once eligibility has been determined, staff will make recommendations to their respective Councils. **Applications will be considered by each respective Council on a case by case basis.** Applicants who receive approval for the TIG are required to enter into a formal Tri-Partite Legal Agreement with the City of Kitchener and the Region. The interim agreement will set out the estimated TIG payment and schedule, the terms and conditions, the obligations of the municipalities and property owners, and the defaults and remedies. The agreement will be

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finalized only after the actual eligible remediation costs have been verified, the final post-remediation and redevelopment assessment by MPAC has been completed and all conditions have been met by the applicant.

A6. APPLICATION INSTRUCTIONS

Please note: Applicants are required to submit 2 copies of the Application Package and all supporting documentation.

1. Ensure that you meet all eligibility criteria listed above;
2. Before completing the application, consult with the Brownfield Coordinator (Kitchener). Questions regarding the Region's participation can be directed to the Region's Brownfields Coordinator;
3. Print or type the information requested on the application;
4. Attach a letter of intent to the front of the application;
5. Attach hard copies of the completed Phase I and Phase II Environmental Site Assessments (ESAs);
6. Ensure that all ESAs, other studies and Phase III and IV cost estimates have been prepared by a "Qualified Person" as defined by Ontario Regulation 153/04, as amended. Ensure that the name and contact information of the Qualified Person is included on any documentation provided;
7. If you require additional writing space, use a separate page and attach it to the application;
8. Ensure that all pages of the application are complete and include the required signatures. If an agent is acting on behalf of the owner, ensure that the owner completes and signs the authorization contained in the application; and
9. Mail or deliver the Application Form (Part B, C and D) to the City of Kitchener Brownfield Coordinator (listed in Part A).

A7. TIG CALCULATION EXAMPLES

The following examples are based on a fictional brownfield project resulting in the creation of 178 townhouses. Example 1 assumes Eligible Remediation Costs of \$6,000,000 and Example 2 assumes Eligible Remediation Costs of \$3,000,000.

Change in Taxes	Before Remediation	After Project Completion	Annual Tax Increment
Current Assessment Value	\$ 1,250,000	\$ 29,000,000	\$ 27,750,000
Annual Taxes			
Kitchener	\$ 11,282	\$ 132,808	\$ 121,526
Region	\$ 16,903	\$ 198,966	\$ 182,063
Total Municipal Taxes	\$ 28,185	\$ 331,774	\$ 303,589
Education	\$ 27,348	\$ 85,840	\$ 58,492
Total Annual Taxes	\$ 55,533	\$ 417,614	\$ 362,081

Under the joint TIG Program the total increase in Municipal Taxes (Kitchener and Regional) or Tax Increment is \$303,589 per year. If this annual Municipal Tax Increment is multiplied by a 10 year period, the potential TIG could

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value \$ 3,035,890 depending on the Net Eligible Remediation Costs. To calculate the Net Eligible Remediation Costs, the total value of any other brownfield assistance received must be subtracted from the Total Eligible Remediation Costs.

Example 1	
Eligible Remediation Costs (including 10% allowance)	\$ 6,000,000
Less Other Brownfield Financial Assistance	
Regional ESA Grant	\$ 40,000
Regional DC Exemption (no core exemption)	\$ 847,814
Other Brownfield Assistance	\$ 267,000
<i>Total Other Assistance</i>	\$ 1,154,814
Net Eligible Remediation Costs	\$ 4,845,186
Example 2	
Eligible Remediation Costs (including 10% allowance)	\$ 3,000,000
Less Other Brownfield Financial Assistance	
Regional ESA Grant	\$ 40,000
Regional DC Exemption (no core exemption)	\$ 847,814
Other Brownfield Assistance	\$ 267,000
<i>Total Other Assistance</i>	\$ 1,154,814
Net Eligible Remediation Costs	\$ 1,845,186

The TIG Payment Schedule depends on the size of the Total Municipal Tax Increment and the Total Net Eligible Remediation Costs that can be used to calculate the TIG. For instance, in Example 1 the Total Joint TIG would be \$3,035,890 paid over 10 years. Of note is the fact that the Total Joint TIG will not cover the full value of the Net Eligible Remediation Costs of **\$ 4,845,186**. This is because the increase in the annual Municipal Tax Increment was not sufficient to generate the value required. If the planned redevelopment assessment value were higher, thus resulting in an increased annual Municipal Tax Increment, it may be possible for the applicant to re-coup all the Net Eligible Remediation Costs over the 10 year period.

In Example 2, the Total Joint TIG of \$1,845,186 is paid over 7 years and covers the full value of the Net Eligible Remediation Costs. Once again, had the annual Municipal Tax Increment been higher or lower, this too would have impacted the length of the payment schedule.

Schedule	Kitchener	Region	Total Joint TIG
Example 1			
Year 1 (x10)	\$ 121,526 (x10)	\$ 182,063 (x10)	\$ 303,589 (x10)
Total Joint TIG	\$ 1,215,260	\$ 1,820,630	\$ 3,035,890
Example 2			
Year 1 (x 6)	\$ 121,526 (x6)	\$ 182,063 (x6)	\$ 303,589 (x6)
Subtotal	\$ 729,156	\$ 1,092,378	\$ 1,821,534
Year 7	\$ 9,468	\$ 14,184	\$ 23,652
Total Joint TIG	\$ 738,624	\$ 1,106,562	\$ 1,845,186

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B. APPLICATION

To qualify for a TIG from the City of Kitchener and the Region of Waterloo, brownfield sites must meet the eligibility criteria laid out in Section A – Guidelines for Applicants.

Please submit 2 copies of the completed Application Package and supporting documentation to:

Terry Boutilier, Sr. Business Development Officer & Brownfield Coordinator
Business Development Division, Economic Development Department, City of Kitchener
200 King Street West, 1st Floor, PO Box 1118
Kitchener, ON N2G 4G7
Tel: (519) 741-2303
Fax: (519)741-2722
Email: terry.boutilier@kitchener.ca

The following application must be filled out in its **entirety**. Referencing applicable sections in supporting documents is not acceptable and may result in the application being deemed incomplete.

Date Application Received :

(Office Use Only)



B1. APPLICANT INFORMATION

Registered Site Owner(s): _____

Company (if applicable): _____

Contact: _____

Mailing Address: _____

Phone: () _____

Fax: () _____

Email: _____

Date of Site(s) Acquisition: _____

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B2. AGENT INFORMATION

Contact: _____

Company (if applicable): _____

Mailing Address: _____

Phone: () _____

Fax: () _____

Email: _____

B3. FINANCIAL PARTNER

Contact: _____

Company (if applicable): _____

Mailing Address: _____

Phone: () _____

Fax: () _____

Email: _____

B4. SITE INFORMATION

Municipal Address _____

of Site(s) : _____

*Include Ontario Land _____

Survey (OLS) if available _____

Lot No(s): _____

Plan No(s): _____

Roll No(s): _____

PIN No (s): _____

Description of Site(s): _____

Size (hectares): _____

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Projected post-remediation and redevelopment assessment (attach documentation)³:

Value: \$ _____
Classification: _____

B6. ENVIRONMENTAL SITE ASSESSMENT INFORMATION

Please provide a description of the nature of the site’s potential/actual environmental contamination. Please attach the site’s existing ESAs or other relevant reports/documentation as evidence of the site’s potential/actual environmental contamination.

Environmental Site Assessments (ESA) should meet all regulatory and professional standards including conformity with Ontario Regulation 153/04, as amended, of the *Environmental Protection Act*. An ESA must be prepared by qualified professional consultant. This consultant is commonly referred to as the ‘Qualified Person’ (QP).

Phase I Environmental Site Assessment	\$ _____
Phase II Environmental Site Assessment	\$ _____
Estimated Eligible Remediation Costs	\$ _____
Total Estimated Eligible Remediation Costs	\$ _____

Eligible Remediation Costs are those identified in a Phase III remediation work plan, excluding work completed more than 12 months prior to the filing of a Record of Site Condition. Remediation work would include, but is not limited to:

- Remedial work plans;
- Risk assessments;
- Environmental rehabilitation;
- Disposal of contaminated soil;
- Placing of clean fill and grading; and
- Building demolition related to remediation.

Final Eligible Remediation Costs will be adjusted depending on actual costs of remediation. The applicant will be required to submit all invoices related to direct and indirect remediation costs. The City of Kitchener and the Region of Waterloo reserve the right to verify all eligible remediation costs.

Attach Phase I and II ESAs and copies of invoices documenting associated costs.

³ Applicants should visit the MPAC website for more information on the assessment process: www.mpac.ca. As part of the application process, the Region and/or City may request that an estimate of the post-redevelopment assessment be developed by MPAC. Applicants may be requested to provide additional information relating to the specifics of the redevelopment project as part of this exercise.

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Attach Phase III ESA/Site Remediation Plans and any other consultant reports, work plans and budgets, completed by Qualified Persons, that estimate remediation costs.

Applicants may be required to submit additional information, including remediation details and remediation duration.

B7. PROJECT DESCRIPTION

On a separate page, provide a detailed description of the proposed development to take place on the site once it has been remediated. Include building sizes and uses, marketing, timing/staging, financing and any other pertinent information.

Attach any relevant documents such as planning applications or concept drawings of the site redevelopment.

List and briefly describe any planning applications that have been or will be submitted.

Density (expected jobs and/or people per hectare): _____

Expected Development Stages: _____

Current Development Stage and Future Requirements (OPA, Zoning, Site Plans, etc.):

Projected value of the proposed development: \$ _____

Estimated Construction commencement date: _____ / _____
Month Year

Estimated Construction completion date: _____ / _____
Month Year

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B8. OTHER FINANCIAL ASSISTANCE

Have you previously received a grant or other financial assistance for the subject site from the City of Kitchener, the Region of Waterloo or any other level of government or public agency related to brownfield remediation or redevelopment?

Yes No

If yes, please select the appropriate program and provide details below (e.g. file number(s), reference number(s), value of assistance, and any other relevant information):

Brownfield Assistance Programs	Details (e.g. file number(s), reference number(s), and any other relevant information)	Value of Assistance (\$)
Regional Phase II Environmental Site Assessment Grant		
Regional Brownfield Development Charge Exemption		
Other (please specify)		
TOTAL:		

Do you expect to apply for any other financial assistance for the subject site from the City of Kitchener, the Region of Waterloo and/or any other level of government or public agency?

Yes No

If Yes, please provide details below (e.g. program name, government source, application timing, value of assistance, etc.):

B9. AUTHORIZATION OF AGENT

I, _____ own the land that is the subject of this application, and I hereby authorize my Agent _____ to complete this application and to act on my behalf regarding this application.

Name of Owner

Signature of Owner

Date

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DECLARATIONS

I/We hereby apply for a grant under this program.

I/We hereby agree to abide by the terms and conditions of the Tax Increment Grant Program for Brownfield Remediation.

I/We hereby agree to enter into a Tax Increment Grant Program for Brownfield Remediation Agreement with the City of Kitchener in which the site for which this application is being made is located, and the Region of Waterloo, that specifies the terms of the grant.

I/We hereby certify that the information contained in this application is true, correct and complete in every respect and consent to any verification of this information by the City of Kitchener and/or the Region of Waterloo by such inquiry as is deemed appropriate, including inspection of the site.

I/We hereby grant permission to the City of Kitchener and/or the Region of Waterloo, or their agents, to inspect my/our property prior to, during and after environmental remediation, site rehabilitation and project consultation.

I/We hereby acknowledge that the City of Kitchener and/or the Region of Waterloo may request an independent review of any or all submitted project costs or actual costs for improvements under the Tax Increment Grant Program for Brownfield Remediation.

I/We hereby acknowledge that the granting of funds through the Tax Increment Grant Program for Brownfield Remediation is a public process and that the City of Kitchener and the Region of Waterloo may be required to provide information contained in this application to members of the public and Council, that this application may be circulated to internal municipal departments, and that the information in this application may be used for internal reporting purposes.

I/We hereby agree that the program for which the application has been made herein is subject to cancellation and/or change at any time by the City of Kitchener and the Region of Waterloo in their sole discretion, subject to the terms and conditions specified in the Program. The City of Kitchener and the Region of Waterloo will, in however, honour all Draft and Final Remediation and Redevelopment Agreements existing at the time such cancellation or change is made, subject to the terms and conditions contained therein.

I/We hereby agree that the City of Kitchener and the Region of Waterloo will determine at their discretion the adequacy of this application and any other documents submitted by the applicant, including proofs of expenditures, and of the project for which this application is submitted. The City of Kitchener and the Region of Waterloo reserve the right to refuse any application and to limit the amount of assistance they will provide to any particular project. Notwithstanding any representation by or on behalf of the City of Kitchener and the Region of Waterloo, or any statement contained in the program, no right to any grant arises until it has been duly authorized and approved by each respective Council. The City of Kitchener and the Region of Waterloo are 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 the grant or costs incurred in the event that this application is denied by the City of Kitchener or the Region of Waterloo.

Name of Owner

Title

Signature of Owner

Date

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C. ELIGIBILITY REQUIREMENTS FORM

C1. DOES THE SITE MEET THE ELIGIBILITY CRITERIA?

Applications for the Tax Increment Grant (TIG) will be received and screened based on the following requirements. Please complete this form and submit with the application.

ELIGIBILITY CRITERIA (PASS/FAIL)	YES	NO
1. Is the site located within the City of Kitchener?		
2. Is the applicant the registered owner of the site, able to demonstrate clear title and responsibility for the land?		
3. Was the applicant responsible for causing the on-site contamination that requires remediation?		
4. Will the remediation and redevelopment undertaken result in a minimum increased property reassessment value of \$100,000?		
5. Were the Phase I and Phase II Environmental Site Assessments (ESAs) completed by a "Qualified Person" as defined Ontario Regulation 153/04, as amended, prior to the submission of this application?		
6. Do redevelopment plans meet all approved policy and comply, where feasible and appropriate, with applicable design guidelines?		
7. Is the site in a position of tax arrears or does it have any other outstanding municipal financial obligations?		
8. Has this application been submitted prior to the issuance of building permit(s) for the redevelopment?		

Note: Shaded boxes indicate a "pass".

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**D. STATUTORY DECLARATION OF APPLICATION STATEMENT(S)
TRUTHFULNESS**

I, _____ of the City/Township of _____,
in the Regional Municipality of _____, solemnly declare that:

All statements contained in this application are true and complete, and I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath or affirmation by virtue of the Ontario Evidence Act and the Canada Evidence Act.

All assessed property taxes and levies with respect to the property to which this application applies have been paid in full.

Declared before me at the _____)
City/Township of _____ in the _____)
Regional Municipality of _____, this)
_____ day of _____, 201_)

Signature of Registered Owner of lands that are subject of the application or
Authorized Officer or Director if Corporate Registered Owner

A Commissioner, etc.

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E. PROGRAM ADMINISTRATION – OFFICE USE

Administration and Responsibilities

Administration and responsibilities of the municipal TIG Program will follow the guidelines and steps outlined in the following table:

Joint Tax Increment Grant (TIG) Program Process and Administration		
Step	Details	Responsibility
1	Applicant completes Phase I and Phase II Environmental Site Assessments and contacts the City of Kitchener for pre-consultation.	Applicant
2	Provide Applicant with TIG Program Application Package and arrange a pre-consultation meeting with City of Kitchener and Region if required.	Kitchener (Brownfield Coordinator)
3	Submit 2 copies of complete TIG Program Application Package to the Brownfield Coordinator (Kitchener) prior to issuance of applicant's first Building Permit.	Applicant
4	Kitchener TIG Committee reviews the application and determines if it is complete. Once it is determined to be complete, the TIG Committee will date stamp the application to establish cost eligibility date. This date will be considered the "pre-remediation and redevelopment assessment date" in relation to the MPAC assessment information.	Kitchener (TIG Committee ⁴)
5	Brownfield Coordinator (Kitchener) forwards copy of application and supporting documentation to Region's Brownfields Coordinator for internal review of eligibility by Region's TIG Committee.	Kitchener (Brownfield Coordinator)
6	The Kitchener TIG Committee and Region TIG Committee will review the application for eligibility as per internal process. Internal Region review of the application for eligibility based on TIG program criteria. If the Region and the City deem the applicant eligible, the application will move to step #9.	Region (TIG Committee ⁵) & Kitchener (TIG Committee)
7	If the applicant is deemed ineligible by the City of Kitchener, the Brownfield Coordinator will: <ol style="list-style-type: none"> 1. Identify the reasons for ineligibility; 2. Notify Region to consult and discuss possible recourse⁶; and 3. Contact applicant to identify reasons for ineligibility and discuss next steps for resubmission. 	Kitchener (Brownfield Coordinator)

⁴ The City of Kitchener TIG Committee includes the Brownfield Coordinator, the General Manager of Department of Development Services, the Director of Planning, the Director of Revenue and the City Solicitor.

⁵ Region TIG Committee includes the Brownfields Coordinator, the Regional Solicitor, the Chief Financial Officer/Director of Financial Services (Tax/Policy), the Commissioner of Planning, Housing & Community Services/Director of Community Planning.

⁶ At this stage it is expected that the City of Kitchener will have determined their respective position on the TIG application. If the City of Kitchener position differs from that of the Region, consultation between the Region and the City of Kitchener will occur.

**CITY OF KITCHENER & REGION OF WATERLOO
JOINT TAX INCREMENT GRANT
BROWNFIELDS FINANCIAL INCENTIVE PROGRAM**

Joint Tax Increment Grant (TIG) Program Process and Administration

Step	Details	Responsibility
8	If the applicant is deemed ineligible by the Region, the Brownfields Coordinator will: <ol style="list-style-type: none"> 1. Identify the reasons for ineligibility; 2. Notify City of Kitchener to consult and discuss possible recourse⁷; and 3. Contact applicant to identify reasons for ineligibility and discuss next steps for resubmission. 	Region (Brownfields Coordinator)
9	If deemed eligible by both the Region and the City of Kitchener, the City of Kitchener Financial Services Division will obtain the pre-remediation and redevelopment assessment value of the property from MPAC based on the date the application was time-stamped.	Kitchener (Finance/Revenue Division)
10	Based on the MPAC assessment, the City of Kitchener will estimate the amount of the annual TIG payments (Regional and City of Kitchener portions) and payment schedule (including TIG reductions due to other assistance for brownfield remediation).	Kitchener (Finance/Revenue Division)
11	Brownfield Coordinator will forward TIG payment and schedule estimates and notification of the City of Kitchener TIG Committee recommendation re: the application to Regional staff for review.	Kitchener (Brownfield Coordinator)
12	The City of Kitchener and Region will submit a report with the eligible TIG Program Application to their respective City of Kitchener and Regional Councils. Each report will include the following: <ul style="list-style-type: none"> • Staff recommendation(s); • Background (location and description of property, contamination and remediation, existing and projected assessment, environmental expenses); • Financial Implications to the City of Kitchener and the Region (estimated TIG calculations, payment schedule); • City of Kitchener/Regional Staff position or recommendations on respective application and coordination/communication to date; • City of Kitchener/Regional Council decision (depending on respective report dates); and • Approved Site Plan for Proposed Development. 	Kitchener (Brownfield Coordinator) & Region (Brownfields Coordinator)
13	The City of Kitchener and Regional Councils will make a recommendation for approval or refusal of their portion of the TIG.	Kitchener & Regional Council
14	The Applicant is advised of City of Kitchener and Regional Council's decisions. If City of Kitchener and Region both approve their portion of the TIG, proceed to Step#15. If one Council refuses the application, the following will occur: <ol style="list-style-type: none"> 1. Staff will clarify and respond to any concerns City of Kitchener/Regional Council may have; 2. Staff will identify a possible course of action that may address these concerns; 3. Staff will notify City of Kitchener (if Region refuses) or Region (if City of Kitchener refuses) of the issues; 	Kitchener (Brownfield Coordinator) & Region (Brownfields Coordinator)

⁷ At this stage it is expected that the City of Kitchener will have determined their respective position on the TIG application. If the City of Kitchener position differs from that of the Region, consultation between the Region and the City of Kitchener will occur.

**CITY OF KITCHENER & REGION OF WATERLOO
JOINT TAX INCREMENT GRANT
BROWNFIELDS FINANCIAL INCENTIVE PROGRAM**

Joint Tax Increment Grant (TIG) Program Process and Administration

Step	Details	Responsibility
	4. Staff will notify the applicant and determine whether or not the issues can be resolved.	
15	An Interim Tri-Partite Legal Agreement (Draft) is executed between the City of Kitchener, the Region and the Applicant outlining the terms and conditions of the estimated TIG, estimated annual TIG payments (Regional and City of Kitchener) and estimated total TIG Program funding (Regional and City of Kitchener).	Kitchener (TIG Committee) & Region (TIG Committee)
16	A copy of the Interim Legal Agreement will be provided to the Kitchener Finance/Revenue Division, the Region and the Applicant.	Kitchener (Finance/Revenue Division)
17	The Applicant engages the consultant(s) and/or contractor(s) to proceed with the site remediation work.	Applicant
18	Upon completion of the remediation work, the Applicant files a Record of Site Condition with the Ministry of the Environment. The Applicant then provides 2 copies of the RSC and MOE acknowledgement to the City of Kitchener (these must be submitted prior to commencing any development or redevelopment).	Applicant
19	Brownfield Coordinator (Kitchener) forwards copies of MOE acknowledgement letter and RSC to the Region's Brownfield Coordinator.	Kitchener (Brownfield Coordinator)
20	The Applicant obtains Building Permit(s) and/or other required permits from the City of Kitchener and commences development. <ul style="list-style-type: none"> • The Redevelopment Plan for the site must meet City of Kitchener policies and other approved documents; and • All improvements to buildings or land shall have been made pursuant to an approved Building Permit, and constructed in accordance with the Ontario Building Code, all applicable zoning requirements, and any conditions of Planning Approvals. Applicants must resolve any outstanding Orders (such as Building, Fire, By-law Enforcement, or Public Health orders) satisfactorily. 	Applicant
21	Redevelopment complete. Final inspection of redeveloped site and occupancy permits issued.	Kitchener (Building Division)
22	Once the development is complete, the property will be assessed by MPAC. The property owner will be issued a new tax notice based on the post-remediation and redevelopment assessment value.	Applicant/MPAC
23	Applicant forwards the post-remediation and redevelopment assessment to the City of Kitchener Finance/Revenue Division.	Applicant
24	Brownfield Coordinator (Kitchener) forwards post-remediation and redevelopment assessment to the Region's Brownfield Coordinator.	Kitchener (Brownfield Coordinator)

**CITY OF KITCHENER & REGION OF WATERLOO
JOINT TAX INCREMENT GRANT
BROWNFIELDS FINANCIAL INCENTIVE PROGRAM**

25	The actual annual and total TIG payments are established by the City of Kitchener Finance/Revenue Division and the Region and added into the Interim Legal Agreement. The Legal Agreement is then finalized using the confirmed financial amounts.	Kitchener Finance/Revenue Division, & Region
26	After the current property owner has paid the taxes in full for one (1) year, the City of Kitchener Finance/Revenue Division will confirm that the property is not in tax arrears and all other requirements of the TIG Program Agreement and Community Improvement Plan have been met.	Kitchener Kitchener (Finance/Revenue Division)
27	The City of Kitchener Finance/Revenue Division issues the first annual payment of the TIG to the successful applicant (Region to reimburse City). Current property owner(s) continues to pay property taxes for the site at its current (post-remediation and redevelopment) assessment value.	Kitchener (Finance/Revenue Division), & Region
28	Annual TIG payments continue until the end of the 10 th year or the year in which all costs eligible for TIG Program funding are reimbursed, whichever occurs first.	Kitchener (Finance/Revenue Division), & Region

SCREENING OF SUBMITTED APPLICATION (OFFICE – USE)	YES	NO
Does the application include a letter of intent?		
Has the application been filled out in its entirety (Part B, C and D)?		
Does the applicant meet all the eligibility criteria stated in A.1.?		
Has the applicant submitted 2 copies of all the required supporting documentation, including: <ul style="list-style-type: none"> • Completed Phase I and Phase II Environmental Site Assessments (ESAs); • Phase I and Phase II Invoices; • Projected Remediation Costs (Phase III/Site Remediation Plan and any other consultant reports, work plans and budgets); • Planning Applications and concept plans for redevelopment; and • Any other relevant documentation. 		
Do the Phase I or Phase II reports contain any disclaimers that may prevent the City of Kitchener and Region from providing a copy to government agencies or other interested parties?		

Note: Shaded boxes indicate a “pass”.