

REGION OF WATERLOO BROWNFIELD FINANCIAL INCENTIVE PROGRAM

Joint Tax Increment Grant

Currently available in the Cities of Cambridge and Kitchener, Joint Tax Increment Grants (TIGs) allow developers to recoup some or all of the remediation costs associated with brownfield projects after the sites have been remediated and redeveloped.

How much can I receive?

Funding is 100 per cent of the difference between the Regional and Area Municipal portion of property taxes prior to and after redevelopment (the tax Increment), less any previous brownfield financial assistance received for the site. Tax Increment Grants are made after the MPAC reassessment of the site, and may last for up to 10 years or until the maximum eligible costs have been recouped.

What are the eligibility requirements?

- An eligible site must qualify as a brownfield and be located within the designated Community Improvement Project Area where the joint TIG program has been implemented.
- The applicant must be the registered owner of the site or the owner's assignee.
- The applicant/owner cannot be responsible for causing the site contamination that requires remediation.
- The remediation and redevelopment must result in an increased property reassessment value of at least \$100,000.
- Phase I and II Environmental Site Assessments (ESAs).
- The redevelopment site plan must meet policy and should, where possible and feasible, comply with applicable design guidelines.
- Sites in property tax arrears are not eligible.

What is the process and estimated timeline from application to approval of the grant?

1. Complete Phase I and Phase II ESAs
2. Contact Area Municipality for pre-consultation prior to the issuance of a building permit.
3. Complete and submit TIG Program Application with supporting documentation.
4. TIG Committee, Region and Area Municipality review the application to determine eligibility (One month)
5. Pre-remediation and redevelopment assessment property values from MPAC are obtained for eligible applications, and the amount of annual TIG payments and the payment schedule are estimated (Regional and Area Municipality portions) and sent to the respective TIG Committee for review and Council recommendation. (One to two months)
6. TIG Application submitted to respective Council for review and decision. (One month)
7. If both TIG portions are approved, a Tri-Partite Legal Agreement is drafted outlining the terms and conditions of the estimated TIG, estimated annual TIG payments and estimated total TIG funding. (Two months)

8. Proceed with site remediation work and upon completion, file a Record of Site Condition (RSC) with the Ministry of the Environment.
9. Obtain building permit(s) and other required permits and commence development.
10. Complete redevelopment, final inspections and property assessment by MPAC to receive new tax notice.
11. Actual annual and total TIG payments are established into the Tri-Partite Legal Agreement and finalized.
12. After the current property owner has paid the taxes in full for one year, the first annual payment of the TIG is issued.

Estimated review and decision time: Six months

What brownfield redevelopment costs are eligible?

- Phase I ESAs;
- Phase II ESAs (only for the portion not already funded);
- Environmental remediation work identified in a remediation work plan, excluding work completed 12 months prior to application filing. (i.e. remedial work plans, site specific risk assessments, environmental rehabilitation, disposal of contaminated soil, placing of clean fill and grading, building demolition related to remediation, etc.); and
- Indirect remediation costs to a maximum of 10 per cent of eligible direct remediation costs (i.e. planning or legal fees, financing costs associated with remediation, insurance premiums, assessment estimates, preparation of the Record of Site Condition [RSC] etc.).

What documents are required with an application?

May include, but not limited to:

- Phase I and II ESAs confirming contamination;
- Estimates for costs of rehabilitating the property to permit filing of an RSC, and completion of an RSC;
- Remedial work plan and/or risk assessment which includes work plan and cost estimates to reduce the concentration of contamination; and
- Estimates of the costs of complying with any certificate of property use issued under the EPA, and cost estimates for any proposed building conversion or rehabilitation proposal.

All applicants are encouraged to discuss their project with the Region and Area Municipality to ensure that anticipated timelines may be met.

For more information on the joint TIG Program, please contact the Region of Waterloo's Brownfield Coordinator or visit: www.region.waterloo.on.ca/brownfields