

Presented To:	Planning Committee
Presented:	Monday, Jun 10, 2013
Report Date	Tuesday, May 28, 2013
Type:	Public Hearings

## Request for Decision

### Amendment 1 to the City of Greater Sudbury's Brownfield Strategy and Community Improvement Plan

#### Recommendation

That the City of Greater Sudbury amend the Brownfield Strategy and Community Improvement Plan to stimulate the rehabilitation and redevelopment of non-urban brownfields, as described in the report dated May 28, 2013 from the General Manager of Growth and Development.

#### Finance Implications

City Council will have the opportunity to assess the costs and benefits associated with each non-urban brownfield tax increment equivalent grant application before deciding the total and annual foregone tax revenue to be granted to a property. The amount of foregone tax revenue granted each year may vary depending on the number of applications approved by City Council and the conditions imposed.

#### **Background:**

The City of Greater Sudbury's Brownfield Strategy and Community Improvement Plan was adopted by City Council on October 12, 2011 and came into effect on November 16, 2011.

The Brownfield Strategy and Community Improvement Plan is designed to breathe new life into the many already-used and now vacant commercial and industrial properties – otherwise known as brownfields – in the urban areas of Greater Sudbury, in conformity with the Official Plan.

Brownfields present many unique economic, environmental and social challenges. They negatively affect assessment and taxation, may pose risks to human health and the environment and tarnish the image of the city. Unlike other properties, brownfields have many barriers which prevent them from being brought back into full and productive urban uses. Tax arrears, absentee property owners, real or perceived contamination and capital-intensive remediation costs can deter interest and investment in brownfields.

#### Signed By

##### **Report Prepared By**

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Senior Planner  
*Digitally Signed May 28, 13*

##### **Reviewed By**

Mark Simeoni  
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*Digitally Signed May 29, 13*

##### **Recommended by the Division**

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##### **Recommended by the Department**

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##### **Recommended by the C.A.O.**

Doug Nadorozny  
Chief Administrative Officer  
*Digitally Signed May 28, 13*

The Brownfield Strategy and Community Improvement Plan is designed to help overcome these barriers by:

- implementing a new failed tax sale procedure to address arrears and ownership;
- making four financial incentive programs available to help reduce upfront costs;
- calling for a brownfield marketing strategy to better attract interest and investment; and,
- setting the stage for continued local awareness and capacity building.

The Brownfield Strategy and Community Improvement Plan has been well received by the community. It sparked renewed interest in many former commercial and industrial properties. One application to the program has been made and a second application is pending. The Brownfield Strategy and Community Improvement Plan is also receiving national attention. Last year, the Federation of Canadian Municipalities and Canadian Urban Institute recognized the initiative for its excellence and innovation.

### **Purpose:**

This report proposes that the Brownfield Strategy and Community Improvement Plan be amended to stimulate the rehabilitation and redevelopment of brownfields outside of urban area.

### **Discussion:**

#### Our non-urban brownfields

Greater Sudbury has a number of sites located outside of our settlement area that could be considered a brownfield. Historically, these sites were used for mining and mining-related purposes. Over time, some of these mines were closed or abandoned as they came to the end of their useful lifecycle. Others closed or were abandoned because changing market conditions eroded the feasibility of continued production.

As these mines closed or were abandoned, the sites that they operated on were left in various conditions. Some were progressively rehabilitated. Others weren't. Many sites were left with mine hazards (i.e. a mine feature or any related disturbance of the ground that has not been rehabilitated to the prescribed standard).

Given the long history and geographic scope of mining activity in Greater Sudbury, numerous abandoned mines and mine hazards are scattered across our landscape. The Province of Ontario, through its Abandoned Mines Information System (AMIS) database, estimates that there are 323 AMIS sites in Greater Sudbury. Some of these sites are active or inactive mines. Others are abandoned mines or mine hazards. The severity of these mine hazards vary depending on the stage and extent of the historic mining activity. Some sites with mine hazards have only seen minor exploratory sampling. Others have seen full mine development and production (e.g. shafts, tailing ponds, etc.).

When viewed through the lens of the Official Plan, the vast majority of these AMIS sites are located outside of our urban settlement area. Two hundred and ninety (90 percent) of these sites are designated Mining/Mineral Reserve, Aggregate Reserve and Rural in the Official Plan.

Mine hazards can threaten public health and safety if not properly mitigated or rehabilitated. The presence of severe hazards on the landscape can also deter new investment and economic activity. Before a new proposed use can be permitted on an abandoned mine site, the mine hazards on that site must be rehabilitated to the prescribed standards of the *Mining Act*, which are currently outlined in the *Mine Rehabilitation Code of Ontario*. The cost of rehabilitation can vary depending on the severity of the mine

hazard and the proposed use.

Under the *Mining Act*, mine hazards can be rehabilitated through closure plans, progressive rehabilitation and voluntary rehabilitation.

- Closure plans are required for all new mines, existing mines and advanced exploration projects. They ensure that the mine is developed and operated with a sound strategy and the financial resources necessary for the eventual closure of the operation. It includes a plan to rehabilitate a site or mine hazard so that the use or condition of the site is restored to its former use or condition, or is made suitable for another use. It includes financial assurance to ensure that rehabilitation will be carried out and public health and safety, and the environment, will be protected.
- Progressive rehabilitation is a tool that proponents can use to rehabilitate mine hazards to prescribed standards, regardless of whether closure has commenced or a closure plan has been filed. Proponents are required to take all reasonable steps to progressively rehabilitate a site. Where a site is not subject to a closure plan, proponents shall complete the rehabilitation work to the prescribed standard and submit a report to the Ministry of Northern Development and Mines (MNDM) within 60 days of the completion of the work.
- Voluntary rehabilitation is another tool that encourages private proponents to rehabilitate mine hazards on certain types of land, provided that they did not create the hazard. It offers proponents protection from orders under the *Environmental Protection Act* and *Water Resource Act* relating to historic hazards not caused by the proponent. Proponents may apply to MNDM for approval to rehabilitate the hazard(s). If approved, the proponent may rehabilitate the mine hazard(s) in accordance with a rehabilitation plan, prepared to prescribed standards.

The Province of Ontario, through its Abandoned Mines Rehabilitation Program, will conduct mine rehabilitation capital works primarily on Crown-held abandoned mine sites.

It is estimated that there are 27 Closure Plans in effect in Greater Sudbury today. Only 42 of the AMIS sites (13 percent) are located within the boundaries of these Closure Plans. The remaining mine hazards will require rehabilitation through either new closure plans, progressive rehabilitation and/or voluntary rehabilitation prior to any new proposed use being realized.

An overlay analysis of the AMIS sites, current closure plan boundaries and historical land use planning mapping revealed that there are at least 10 former mine sites that fall outside of the boundaries of the 27 Closure Plans in Greater Sudbury. Using these sites as a sample, the following observations can be made:

- most sites can be accessed from the municipal road network;
- all sites are large. Some range from 150 to 600 acres in area. Others are part of even more extensive landholdings;
- the sites are in varying states of condition. Most have been progressively rehabilitated, but not to the modern standards of the *Mine Rehabilitation Code of Ontario*;
- most sites are designated Rural, Mining/Mineral Reserve and Aggregate Reserve in the Official Plan; and,
- on some sites, the mineral and surface rights are owned by a single party. On other sites these rights are held by separate parties.

Like their urban counterparts, these non-urban brownfields present economic and environmental challenges. These brownfields represent lost economic opportunities in terms of investment, short and long term employment, productivity, assessment and taxation. The existing mine hazard, depending on the type and severity, can threaten public health and safety. These hazards may be complicated by the additional

presence of environmental contamination.

Research suggests that there are several key barriers that prevent these non-urban brownfields from being brought back into a more productive use, including:

- patterns of ownership (which can see surface and mining rights held by separate parties) and the legal framework around responsibility for mining hazards (which rests with the owner of the mineral rights) that can deter co-operation and action;
- the presence of outstanding financial obligations in the form of unpaid property taxes;
- the stigma associated with mine hazards and the additional cost necessary to rehabilitate existing mine hazards (closure planning research suggests that it can cost approximately \$100,000 to rehabilitate an advanced exploration site and almost \$6 million to rehabilitate a mine site to modern standards); and,
- concerns regarding the liability associated assuming historic mining hazards.

### A proposed approach

The City of Greater Sudbury can help revitalize these non-urban brownfields by extending the Tax Incremental Equivalent Grant financial incentive mechanism to such sites to help offset costs associated with the rehabilitation of existing mine hazards. The Tax Assistance financial incentive mechanism can be extended to sites that also face environmental contamination challenges to help offset the cost associated with environmental remediation.

This can be achieved by amending the Brownfield Strategy and Community Improvement Plan. A draft amendment for the Brownfield Community Improvement Project Area by-law is included in Attachment A. A draft amendment for the Brownfield Strategy and Community Improvement Plan is included in Attachment B.

Some key features of the draft amendments are:

1. *Bring select non-urban areas into the Brownfield Strategy and Community Improvement Plan Area:* The draft amendments would bring those lands designated Mining/Mineral Reserve, Aggregate Reserve and Rural into the project area and plan.
2. *Use incentives to encourage rehabilitation:* The amendments would make the financial incentive mechanisms available to encourage the rehabilitation of properties that contain an abandoned mine site(s) and mine hazard(s).
3. *Use incentives to encourage certain uses:* The incentives would also be made available to encourage new mining, mining-related and other related industrial uses that will not preclude future mining activities, in conformity with the Official Plan. These uses should deliver significant net new economic growth.
4. *Rely on existing provincial rehabilitation approval processes:* In order to apply, the owner of a non-urban property would be required to demonstrate the existence of an abandoned mine(s) and mine hazard(s) on the property and need for rehabilitation prior to the establishment of a new use. In order to receive the incentive, the property owner would be required to demonstrate that rehabilitation occurred to the prescribed standard. This approach is consistent with the approach taken to urban brownfields.
5. *Provide future decision making flexibility:* The draft amendments would establish a policy framework that

would allow the City of Greater Sudbury to equitably tailor the total and annual grants provided to each property and project. These values would be established after careful consideration has been given to the costs (e.g. amount of foregone tax revenue) and benefits (e.g. mine hazard rehabilitation, environmental remediation, level of investment, temporary employment, permanent employment, future tax revenue). These decisions would be made by City Council on a case by case basis.

6. *Carry forward all other existing policy tests:* All other policy tests outlined in the Brownfield Strategy and Community Improvement Plan would be applied to non urban brownfields. This includes the eligible cost cap, protection against retroactive eligible cost activities, the ability to make conditional decisions, and the ability to delay, reduce or cancel approval for non-performance, etc.

7. *Maintain existing administrative structures:* The existing administrative protocols for urban brownfields would be adapted and applied to non-urban brownfields.

Other related policy changes may be required, consistent with these key features.

### **Conclusion:**

Brownfields also exist in non-urban areas of the city. The City of Greater Sudbury should extend some of the innovative mechanisms that it currently uses to stimulate the remediation and redevelopment of urban brownfields to these non-urban brownfields to encourage their rehabilitation and redevelopment.

**DRAFT  
BY-LAW 2013-XXXX  
MAY 27, 2013**

**A BY-LAW OF THE CITY OF GREATER SUDBURY  
TO REPEAL AND REPLACE BY-LAW 2011-221  
TO ESTABLISH AN AREA OF THE CITY OF GREATER SUDBURY  
AS A COMMUNITY IMPROVEMENT PROJECT AREA**

**WHEREAS** Section 28(2) of the *Planning Act*, R.S.O. 1990, c.P.13 provides that the Council of a Municipality that has provisions relating to community improvement may, by By-law, designate the whole or part of an area covered by the Official Plan as a Community Improvement Project Area;

**AND WHEREAS** the Official Plan for the City of Greater Sudbury contains provisions relating to community improvement;

**AND WHEREAS** By-law 2011-221 was adopted by City Council on October 12, 2011 to designate those lands designated Mixed Use Commercial, Downtown, Town Centre, Regional Centre and Living Area 1 in the City of Greater Sudbury's Official Plan, as amended from time to time, as a Community Improvement Project Area for the purposes of the Greater Sudbury Brownfield Strategy and Community Improvement Plan;

**AND WHEREAS** the Council of the City of Greater Sudbury deems it desirable to establish a new Community Improvement Project Area for the purposes of the Greater Sudbury Brownfield Strategy and Community Improvement Plan.

**NOW THEREFORE THE COUNCIL OF THE CITY OF GREATER SUDBURY HEREBY ENACTS AS FOLLOWS:**

1. The City of Greater Sudbury hereby designates those lands designated Mixed Use Commercial, Downtown, Town Centre, Regional Centre, Living Area 1, Mining/Mineral Reserve, Aggregate Reserve and Rural in the City of Greater Sudbury's Official Plan, as a Community Improvement Project Area for the purpose of the Greater Sudbury Brownfield Strategy and Community Improvement Plan.
2. This By-law shall come into force and take effect immediately upon the final passing of same; and,
3. By-law 2011-221 is hereby repealed.

**READ AND PASSED IN OPEN COUNCIL** this xxxx day of xxxx, 2013.

**DRAFT  
BY-LAW 2013-XXXX  
MAY 27, 2013**

**A BY-LAW OF THE CITY OF GREATER SUDBURY TO  
ADOPT AMENDMENT NO. 1 TO THE CITY OF GREATER SUDBURY  
BROWNFIELD STRATEGY AND COMMUNITY IMPROVEMENT PLAN**

**WHEREAS** Subsections 28(4), 28(5) and 17(22) of the *Planning Act*, R.S.O. 1990, c.P.13 authorizes the Council of a municipality to adopt Community Improvement Plan and any amendments to it;

**AND WHEREAS**, the Brownfield Strategy and Community Improvement Plan for the City of Greater Sudbury was adopted by City Council on October 12, 2011 by By-law 2011-222 and came into effect on November 16, 2011;

**AND WHEREAS**, the City of Greater Sudbury has complied with the requirements of Sections 28 and 17 of the *Planning Act*, R.S.O. 1990, c.P.13 for the purposes of this amendment;

**AND WHEREAS**, Council of the City of Greater Sudbury has, by By-law 2013-xxxx, designated parts of the City of Greater Sudbury as a Community Improvement Project Area for the purpose of the City of Greater Sudbury Brownfield Strategy and Community Improvement Plan;

**AND WHEREAS** the Council of the City of Greater Sudbury deems it desirable to amend the Brownfield Strategy and Community Improvement Plan for the City of Greater Sudbury.

**NOW THEREFORE THE COUNCIL OF THE CITY OF GREATER SUDBURY HEREBY ENACTS AS FOLLOWS:**

1. Amendment No. 1 to the City of Greater Sudbury Brownfield Strategy and Community Improvement Plan attached hereto as Schedule 'A' is hereby adopted.

**READ AND PASSED IN OPEN COUNCIL** this xxxx day of xxxx, 2013.

**SCHEDULE 'A' TO  
BY-LAW 2013-XXXX**

**COMPONENTS OF THE AMENDMENT:**

**PART A** – The Preamble does not constitute part of this Amendment.

**PART B** – The Amendment, consisting of the following text, constitutes Amendment No. 1 to the City of Greater Sudbury Brownfield Strategy and Community Improvement Plan.

DRAFT



## **SCHEDULE 'A' TO BY-LAW 2013-XXXX**

### **PART A – THE PREAMBLE**

#### **A.1 Background**

The City of Greater Sudbury's Brownfield Strategy and Community Improvement Plan was adopted by City Council on October 12, 2011 and came into effect on November 16, 2011.

The Brownfield Strategy and Community Improvement Plan is designed to breathe new life into the many already-used and now vacant commercial and industrial properties – otherwise known as brownfields – in the urban areas of Greater Sudbury, in conformity with the Official Plan.

Brownfields present many unique economic, environmental and social challenges. They negatively affect assessment and taxation, may pose risks to human health and the environment and tarnish the image of the city. Unlike other properties, brownfields have many barriers which prevent them from being brought back into full and productive urban uses. Tax arrears, absentee property owners, real or perceived contamination and capital-intensive remediation costs can deter interest and investment in brownfields.

The Brownfield Strategy and Community Improvement Plan is designed to help overcome these barriers by:

- implementing a new failed tax sale procedure to address arrears and ownership;
- making four financial incentive programs available to help reduce upfront costs;
- calling for a brownfield marketing strategy to better attract interest and investment; and,
- setting the stage for continued local awareness and capacity building.

The Brownfield Strategy and Community Improvement Plan has been well-received. The City of Greater Sudbury would like to extend some of these innovative strategies into the non-urban areas of the city.

#### **A.2 Purpose**

This Amendment amends the City of Greater Sudbury Brownfield Strategy and Community Improvement Plan to make financial incentive mechanisms available to stimulate the rehabilitation and redevelopment of properties outside of the settlement area that can be considered "brownfields".

This Amendment is intended to help stimulate new investment and employment opportunities that deliver significant net new economic growth on abandoned mine sites with mine hazards that have not been rehabilitated to the prescribed standard (e.g. Mine Rehabilitation Code of Ontario). As a result, additional rehabilitation to the prescribed standard is required to mitigate threats to public health and safety, improve the environment and render the site suitable for a new use.

**SCHEDULE 'A' TO  
BY-LAW 2013-XXXX**

**A.3 Location**

This Amendment applies to non-urban properties in the City of Greater Sudbury designated Mining/Mineral Reserve, Aggregate Reserve and Rural in the City of Greater Sudbury's Official Plan.

**A.4 Basis**

- Item 1** Inserts a new Section 5 into the City of Greater Sudbury Brownfield Strategy and Community Improvement Plan titled "Starting to Address our Non-Urban Brownfields". This new section describes the existing conditions, challenges, barriers and opportunities associated with non-urban brownfields. It also proposes a plan to stimulate new investment and employment opportunities on non-urban brownfields.
- Item 2** Inserts a new Appendix H into the City of Greater Sudbury Brownfield Strategy and Community Improvement Plan titled "Non-Urban Brownfield TIEG Guidelines". These administrative guidelines supplement Item 1.
- Items 3-21** These housekeeping amendments update the Brownfield Strategy and Community Improvement Plan as a result of Items 1 and 2.
- Items 22-32** Inserts new definitions and amends existing definitions in Appendix A as a result of Item 1.

## **SCHEDULE 'A' TO BY-LAW 2013-XXXX**

### **PART B – THE AMENDMENT**

All of this part of Schedule 'A', entitled 'Part B – the Amendment', consisting of the following text, constitutes Amendment No. 1 to the City of Greater Sudbury Brownfield Strategy and Community Improvement Plan.

### **DETAILS OF THE AMENDMENT**

The City of Greater Sudbury Brownfield Strategy and Community Improvement Plan is hereby amended, as follows:

**Item 1** By inserting the following after Section 4:

#### **“5. STARTING TO ADDRESS OUR NON-URBAN BROWNFIELDS**

Some properties outside of our settlement area can also be considered brownfields. The challenges, barriers and opportunities inherent in these non-urban industrial sites are similar to their urban counterparts. The strategies being used to breathe new life into our urban brownfields can also be used to revitalize our non-urban brownfields.

##### **5.1 Our non-urban brownfields**

Greater Sudbury has a number of sites located outside of our settlement area that can also be considered to be brownfields. Historically, these sites were used for mining and mining-related purposes. Over time, some of these mines were closed or abandoned as they came to the end of their useful lifecycle. Others closed or were abandoned because changing market conditions eroded the feasibility of continued production.

As these mines closed or were abandoned, the sites that they operated on were left in various conditions. Some were progressively rehabilitated. Others weren't. Many sites were left with mine hazards (i.e. a mine feature or any related disturbance of the ground that has not been rehabilitated to the prescribed standard).

## SCHEDULE 'A' TO BY-LAW 2013-XXXX

Given the long history and geographic scope of mining activity in Greater Sudbury, numerous abandoned mines and mine hazards are scattered across our landscape. The Province of Ontario, through its Abandoned Mines Information System (AMIS) database, estimates that there are 323 AMIS sites in Greater Sudbury. Some of these sites are active or inactive mines. Others are abandoned mines or mine hazards. The severity of these mine hazards vary depending on the stage and extent of the historic mining activity. Some sites with mine hazards have only seen minor exploratory sampling. Others have seen full mine development and production (e.g. shafts, tailing ponds, etc).

When viewed through the lens of the Official Plan, the vast majority of these AMIS sites are located outside of our urban settlement area. Two hundred and ninety (90 percent) of these sites are designated Mining/Mineral Reserve, Aggregate Reserve and Rural in the Official Plan.

Mine hazards can threaten public health and safety if not properly mitigated or rehabilitated. The presence of severe hazards on the landscape can also deter new investment and economic activity. Before a new use can be permitted on an abandoned mine site, the mine hazards on that site must be rehabilitated to the prescribed standards of the *Mining Act*, which are currently outlined in the *Mine Rehabilitation Code of Ontario*. The cost of rehabilitation can vary depending on the severity of the mine hazard and the proposed use.

Under the *Mining Act*, mine hazards can be rehabilitated through closure plans, progressive rehabilitation and voluntary rehabilitation.

- Closure plans are required for all new mines, existing mines and advanced exploration projects. They ensure that the mine is developed and operated with a sound strategy and the financial resources necessary for the eventual closure of the operation. It includes a plan to rehabilitate a site or mine hazard so that the use or condition of the site is restored to its former use or condition, or is made suitable for another use. It includes financial assurance to ensure that rehabilitation will be carried out and public health and safety and the environment will be protected.
- Progressive rehabilitation is a tool that proponents can use to rehabilitate mine hazards to prescribed standards, regardless of whether closure has commenced or a closure plan has been filed. Proponents are required to take all reasonable steps to progressively rehabilitate a site. Where a site is not subject to a closure plan, proponents shall complete the rehabilitation work to the prescribed standard and submit a report to the Ministry of Northern Development and Mines (MNDM) within 60 days of the completion of the work.

## SCHEDULE 'A' TO BY-LAW 2013-XXXX

- Voluntary rehabilitation is another tool that encourages private proponents to rehabilitate mine hazards on certain types of land, provided that they did not create the hazard. It offers proponents protection from orders under the *Environmental Protection Act* and *Water Resource Act* relating to historic hazards not caused by the proponent. Proponents may apply to MNM for approval to rehabilitate the hazard(s). If approved, the proponent may rehabilitate the mine hazard(s) in accordance with a rehabilitation plan, prepared to prescribed standards.

The Province of Ontario, through its Abandoned Mines Rehabilitation Program, will conduct mine rehabilitation capital works primarily on Crown-held abandoned mine sites.

It is estimated that there are approximately 27 Closure Plans in effect in Greater Sudbury today. Only 42 of the AMIS sites (13 percent) are located within the boundaries of these Closure Plans. The remaining mine hazards will require rehabilitation through either new closure plans, progressive rehabilitation and/or voluntary rehabilitation prior to any new use being realized.

An overlay analysis of the AMIS sites, current closure plan boundaries and historical land use planning mapping revealed that there are at least 10 former mine sites that fall outside of the boundaries of the 27 Closure Plans in Greater Sudbury. Using these sites as a sample, the following observations can be made:

- most sites can be accessed from the municipal road network;
- all sites are large. Some range from 150 to 600 acres in area. Others are part of even more extensive landholdings;
- the sites are in varying states of condition. Most have been progressively rehabilitated, but not to the modern standards of the *Mine Rehabilitation Code of Ontario*;
- most sites are designated Rural, Mining/Mineral Reserve and Aggregate Reserve in the Official Plan; and,
- on some sites, the mineral and surface rights are owned by a single party. On other sites these rights are held by separate parties.

Like their urban counterparts, these non-urban brownfields present economic and environmental challenges. These brownfields represent lost economic opportunities in terms of investment, short and long term employment, productivity, assessment and taxation. The existing mine hazard, depending on the type and severity, can threaten public health and safety. These hazards may be complicated by the additional presence of environmental contamination.

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Research suggests that there are several key barriers that prevent these non-urban brownfields from being brought back into a more productive use, including:

- patterns of ownership (which can see surface and mining rights held by separate parties) and the legal framework around responsibility for mining hazards (which rests with the owner of the mineral rights) that can deter co-operation and action;
- the presence of outstanding financial obligations in the form of unpaid property taxes;
- the stigma associated with mine hazards and the additional cost necessary to rehabilitate existing mine hazards. Closure planning research suggests that it can cost approximately \$100,000 to rehabilitate an advanced exploration site and almost \$6 million to rehabilitate a mine site to modern standards; and,
- concerns regarding the liability associated assuming historic mining hazards.

### **5.2 Our non-urban brownfield plan**

The City of Greater Sudbury can help revitalize these non-urban properties by stimulating new investment and employment opportunities that deliver significant net new economic growth on abandoned mine sites with mine hazards that have not been rehabilitated to the prescribed standard. As a result, additional rehabilitation to the prescribed standard is required to mitigate threats to public health and safety created by the existing mine hazards and make the site suitable for a new use.

This can be achieved by extending the Tax Increment Equivalent Grant financial incentive mechanism to such sites to help offset eligible costs associated with the rehabilitation of existing mine hazards. The Tax Assistance financial incentive mechanism can also be made available to sites that face environmental contamination challenges to help offset eligible costs associated with environmental remediation.

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### **5.2.1 Non-Urban Tax Increment Equivalent Grant Program**

#### **Purpose:**

To encourage the rehabilitation and redevelopment of eligible properties by providing grants relating to the incremental increase in property tax assessment and revenue associated with a new use, subject to the policies and requirements outlined below.

#### **Eligibility:**

To be eligible, the 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 additional rehabilitation to the prescribed standard; and,
- be the subject of a proposal for a new use that would have a significant net new economic impact.

#### **Description:**

Council may provide grants to the owner of a non-urban property to help offset costs associated with the rehabilitation, reuse, development and redevelopment of the property for a new use, provided that the improvements to the property result in a significant increase in assessment and taxation.

The grant can be in the form of a rebate equal to the incremental increase in the municipal property tax revenue, which is refunded to the extent required, after the taxes have been paid in full.

The grant can be provided to the owner (registered or assessed), tenant or assigned third party. The grants can be provided after the improvements to the property are complete and after the reassessment of the property by the Municipal Property Assessment Corporation has demonstrated an increase in the assessed value of the property.

The pre and post improvement assessment and tax values can be used to calculate the incremental increase in municipal property tax revenue and help establish the value of the grant. The City, in its sole discretion, will evaluate the relative economic, environmental and social merits of each application to establish the total and annual grant to be provided to a non-urban property. Up to one hundred percent of the incremental increase in the municipal portion of the

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tax revenue may be granted in the first year. Thereafter, the grant may decrease by 10 percent per year.

During this time, the City will continue to collect tax revenue equal to the pre-improved assessed value of the property, using tax rates set annually by the City. The pre-improved assessed value of the property may be adjusted if the property is subsequently reassessed post improvement by the Municipal Property Assessment Corporation.

The total amount of grants provided cannot exceed eligible costs. The City may place a maximum upset limit, or "cap", on the total value of the grants provided to any non-urban property.

**Requirements:**

1. Non-urban Brownfield Tax Increment Equivalent Grant Program applications must be filed prior to the start of any activity that would constitute an eligible cost and to which the proposed grant would apply.
2. Non-urban Brownfield Tax Increment Equivalent Grant Program applications must be accompanied by:
  - information on the site including but not limited to the legal description, dimensions, existing conditions, existing assessment and taxation;
  - confirmation of the presence of abandoned mine(s) and mine hazard(s) on the site and information on each abandoned mine and mine hazard including but not limited to the location, type, and severity of the hazard and past rehabilitation work;
  - a description of the new use(s), including economic impact;
  - confirmation that the mine hazard(s) must be rehabilitated to the prescribed standard to accommodate the new use;
  - a description of the proposed rehabilitation plan for the site, including preliminary costs estimates;
  - photos depicting the current condition of the non-urban property;
  - plans, reports, estimates, contracts and other details as may be required to satisfy the City with respect to eligible costs and conformity of the proposed improvements with this Plan
3. Non-Urban Brownfield Tax Increment Equivalent Grant Program applications will be reviewed by City Staff and may be approved by City Council, by by-law.
4. The City, in its sole discretion, will evaluate the relative economic, environmental and social merits of each application to establish the total and



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annual grant to be provided to a non-urban property. For example, grants may be provided every year for up to ten years, after taxes have been paid in full each year. In the first year, the approved grant may be equal to 100 percent of the incremental increase in municipal property tax revenue associated with improvements to the non-urban property. Thereafter, the grant may decrease by 10 percent per year. City Council may limit the duration of the grant to coincide with the life of a mine.

5. The total value of the grants provided to a non-urban property will not exceed the eligible costs for that property.
6. As a condition of approval, City Council may, by by-law, require written confirmation that all mine hazard(s) on the non-urban property have been rehabilitated to the prescribed standard. Council may also apply other conditions to the approval.
7. Council may require the owner of the non-urban property enter into an agreement with the City respecting the terms, duration, default and termination provisions of the grant.
8. Should the owner of the non-urban property default on any condition in the by-law or agreement, the grants, plus interest, will become payable to the City in full.
9. Approved grants are payable to the registered owner or assessed owner or tenants of land and buildings within the community improvement project area and are assignable to any city-approved third party to whom such an owner or tenant has assigned the right to receive a grant.
10. See Section 3.3.5 for further general financial incentive requirements.

**Administration:**

Guidelines for the administration of this program are outlined in Appendix H. These guidelines may be changed from time to time, as required, without amendment to this Plan.”

**Item 2**

By inserting the following after Appendix G:

**“H. NON-URBAN BROWNFIELD TIEG GUIDELINES**

**Step 1: Application**

Applicants will be required to pre-consult with City Staff to determine program eligibility, proposed scope of work, and project timing.

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Applications will be accompanied by: information on the site including but not limited to the legal description, dimensions, existing conditions, existing assessment and taxation; confirmation of the presence of an abandoned mine(s) and mine hazard(s) on the site and information on each abandoned mine and mine hazard including but not limited to the location, type, and severity of the hazard and past rehabilitation work; a description of the new use(s), including economic impact; confirmation that the mine hazard(s) must be rehabilitated to the prescribed standard to accommodate the new use; a description of the proposed rehabilitation plan for the site, including preliminary costs estimates; photos depicting the current condition of the non-urban property; and, plans, reports, estimates, contracts and other details as may be required to satisfy the City with respect to eligible costs and conformity of the proposed improvements with this Plan.

Applications will be screened prior to acceptance. Applications not clearly meeting the program requirements will not be accepted. Acceptance of the application by the City does not imply approval.

### **Step 2: Application Review**

Applications will be reviewed by City Staff on a first come, first serve basis. Applications for properties where land use planning applications have already been made or approved will be prioritized. Applications will be recommended for approval only if they meet the requirements specified herein and any other City requirements.

### **Step 3: Approval**

After the application has been reviewed, City Staff will prepare a report to Council on the application, together with recommendations. Where an application is recommended for approval, the staff report will be accompanied by a draft tax increment equivalent grant by-law and agreement. City Council may refuse or approve any application. Should Council approve an application, and subject to any conditions it may decide, an agreement will be executed by the authorized City Staff and a copy provided to the owner of the non-urban property.

### **Step 4: Payment**

Once the improvements are complete, an occupancy permit has been issued, and the non-urban property has been reassessed by the Municipal Property Assessment Corporation, the owner will be sent a new tax bill. After the taxes have been paid in full, and after the City has received confirmation that all mine hazard(s) on the non-urban property have been rehabilitated to the prescribed standard, the City will provide a grant to the owner, provided that the owner

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and/or non-urban property are still in conformity with the tax increment equivalent grant agreement.”

**Item 3** By inserting the following between “Our” and “Legacy” in the title of Section 2:

“Urban”

**Item 4** By inserting the following between “Our” and “Plan” in the title of Section 3:

“Urban Brownfield”

**Item 5** By removing the following from the sixth line in the first paragraph of Section 3.3:

“eligible”

**Item 6** By inserting the following after the first paragraph in Section 3.3.1:

**“Eligibility:**

To be eligible, the property must:

- be located in the community improvement project area;
- be a non-urban or urban property;
- in the case of a non-urban property, be subject to the provisions of subsection 168.4 of the *Environmental Protection Act*, contain an abandoned mine site(s) and mine hazard(s) that require additional rehabilitation to the prescribed standard, and be the subject of a proposal for a new use that would have significant net new economic impact;
- in the case of 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 and/or redevelopment proposal, have a “failed” Phase II Environmental Site Assessment (conducted in accordance with the *Environmental Protection Act*) and require remediation and/or risk assessment prior to filing a Record of Site Condition in the Environmental Site Registry.”

**Item 7** By removing and replacing the word “eligible” with “urban or rural” in the first line of the first paragraph under the header “Purpose” in Section 3.3.1.

**Item 8** By removing the following from the second paragraph under the header “Description” in Section 3.3.1:

“To be eligible, the property must be located in the community improvement project area and require environmental clean-up, prior to its re-use or

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redevelopment as demonstrated through a Phase II Environmental Site Assessment completed in accordance with the *Environmental Protection Act*.”

**Item 9** By removing the following from the second line of the first bullet point and the second line of the third bullet point in Item 2, under the header “Requirements” in Section 3.3.1:

“eligible”

**Item 10** By removing the following from the first line of the fourth bullet point in Item 2, under the header “Requirements” in Section 3.3.1:

“approved eligible”

**Item 11** By removing the following from the fourth line of the first bullet point in Item 4, the first line of Item 5, the first line of Item 6, the first line of Item 7, the third line of Item 8, the first line of Item 9, the first and third lines of Item 10, under the header “Requirements” in Section 3.3.1:

“eligible”

**Item 12** By inserting the following after the first paragraph in Section 3.3.2:

**“Eligibility:**

To be eligible, the 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 and/or redevelopment proposal;
- have a “failed” Phase II Environmental Site Assessment (conducted in accordance with the *Environmental Protection Act*); and,
- require remediation and/or risk assessment prior to filing a Record of Site Condition in the Environmental Site Registry.

**Item 13** By removing the following from the second line under the header “Description” and the second line of Item 2, the third line of Item 5 and first line of Item 6, under the header “Requirements” in Section 3.3.2.

“eligible”

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**Item 14** By inserting the following after the first paragraph in Section 3.3.3:

**“Eligibility:**

To be eligible, the 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 and/or redevelopment proposal;
- have a “failed” Phase II Environmental Site Assessment (conducted in accordance with the *Environmental Protection Act*); and,
- require remediation and/or risk assessment prior to filing a Record of Site Condition in the Environmental Site Registry.”

**Item 15** By removing and replacing the word “eligible” with “approved” in the second line of Item 2 under the header “Requirements in Section 3.3.3; and by removing the following from the third line of Items 5 and 6 under the header “Requirements” in Section 3.3.3:

“eligible”

**Item 16** By inserting the following after the first paragraph in Section 3.3.4:

**“Eligibility:**

To be eligible, the 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 and/or redevelopment proposal;
- have a “failed” Phase II Environmental Site Assessment (conducted in accordance with the *Environmental Protection Act*); and,
- require remediation and/or risk assessment prior to filing a Record of Site Condition in the Environmental Site Registry.”

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- Item 17** By removing the following from the third paragraph under the header “Description” in Section 3.3.4:
- “To be eligible, the property must be located in the *community improvement project area* and the improvements must be in conformity with this plan”.
- Item 18** By removing and replacing the word “eligible” with “approved” in the second line of Item 5 under the header “Requirements in Section 3.3.4; and by removing the following from the second line in Item 2, and the first line in Items 6 and 7 under the header “Requirements” in Section 3.3.4:
- “eligible”
- Item 19** By inserting the following at the end of Item 3 in Section 3.3.5:
- “This does not apply to Tax Assistance.”
- Item 20** By removing the following from the first line of Items 5 and 9 in Section 3.3.5:
- “eligible”
- Item 21** By inserting the following after “*Environmental Protection Act*” in the second line of Item 6 in Section 3.3.5:
- “, the *Mining Act*”
- Item 22** By inserting the following before the definition of “Brownfield” in Appendix A:
- “*Abandoned mine site* means land or lands containing a mine that has been abandoned.”
- Item 23** By repealing the definition of “Brownfield” in Appendix A:
- Item 24** By inserting the following definitions between the definitions of “City” and “Community improvement” in Appendix A:
- “*Closed out* means that the final stage of closure has been reached and that all the requirements of a closure plan have been complied with.”
- “*Closure* means the temporary suspension, inactivity, or close out of advanced exploration, mining or mine production.”
- “*Closure plan* means a plan to rehabilitate a site or mine hazard that has been prepared in the prescribed manner and filed in accordance with the *Mining Act*”

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and that includes provision in the prescribed manner of financial assurance to the Crown for the performance of closure plan requirements.”

- Item 25** By repealing and replacing the definition of “Community improvement project area” in Appendix A with the following:

*“Community improvement project area means those lands within the City of Greater Sudbury designated Mixed Use Commercial, Downtown, Town Centre, Regional Centre, Living Area 1, Mining/Mineral Reserve, Aggregate Reserve and Rural in the City of Greater Sudbury’s Official Plan.”*

- Item 26** By removing the following from the definition of “Development period” in Appendix A:

“, with respect to an eligible property,”

- Item 27** By inserting the following after the word “facilities” in the third line of the definition of “Eligible costs” in Appendix A:

“.”

- Item 28** By repealing the definition of “Eligible property” in Appendix A.

- Item 29** By inserting the following definitions between the definitions of “Eligible costs” and “Property” in Appendix A:

*“Life of a mine means the projected length of time that a project will be in mine production, be processing mineral products resulting from mine production and the active placement of tailings.”*

*“Mine, when used as a noun, means: any opening or excavation in, or working of, the ground for the purpose of winning any mineral or mineral bearing substance; all ways, works, machinery, plant, buildings and premises below or above the ground relating to or used in connecting with the activity previously referred to; any roasting or smelting furnace, concentrator, mill, work or place used for or in connection with washing, crushing, grinding, sifting, reducing, leaching, roasting, smelting, refining or treating any mineral or mineral bearing substance, or conducting research on them; tailings waste rock, stock piles of ore or other material, or any other prescribed substances, or the lands related to any of them; mines that have been temporarily suspended, rendered inactive, closed out or abandoned. It does not include any prescribed classes of plant, premises or works.”*

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*"Mine hazard* means any feature of a mine, or any disturbance on the ground, that has not been rehabilitated to the prescribed standard."

*"New use* means mining and mining-related uses, and other industrial uses that will not preclude future mining activities, in conformity with the Official Plan."

*"Non-urban property* means a property designated Mining/Mineral Reserve, Aggregate Reserve and/or Rural in the City of Greater Sudbury's Official Plan."

*"Progressive rehabilitation* means rehabilitation done continually and sequentially during the entire period that a project or mine hazard exists."

- Item 30** By inserting the following between the definitions of "Property" and "Rehabilitation period" in Appendix A:

*"Rehabilitate* means, for the purposes of Section 5, measures, including protective measures, taken in accordance with the prescribed standards to treat a *site* or *mine hazard* so that the use or condition of the site: is restored to its former use or condition; or is made suitable for a use that the Director sees fit."

- Item 31** By removing the following from the definition of "Rehabilitation period" in Appendix A:

“, with respect to an eligible property,”

- Item 32** By inserting the following after the definition of "Tax assistance" in Appendix A:

*"Urban property* means a property designated Mixed Use Commercial, Downtown, Town Centre, Regional Centre and/or Living Area 1 in the City of Greater Sudbury's Official Plan."