



**City of Kingston
Report to Council
Report Number 19-264**

To:	Mayor and Members of Council
From:	Peter Huigenbos, Acting Commissioner, Community Services
Resource Staff:	Paul MacLatchy, Environment Director
Date of Meeting:	October 1, 2019
Subject:	Approval of Initial Study Grant Application, Brownfields Project Area 1a for the Property Located at 323 Rideau Street

Executive Summary:

This report is being brought forward on behalf of 2521909 Ontario Inc., the current registered owners of the property at 323 Rideau Street (the north land parcel of the former Bailey Broom Factory), for Council's consideration of approval of a Brownfield Initial Study Grant. The Initial Study Grant is a component of the City's Brownfield Community Improvement Plan (CIP), intended to assist developers in assessing the environmental condition of their property and developing remediation plans required to support redevelopment, and to support additional applications to the brownfield program that may be made at a later date.

An Initial Study Grant was previously approved for the southern parcel of the property (305-323 Rideau Street) in accordance with [Report Number 17-128](#).

The property is within Brownfield Project Area 1a and is therefore eligible to apply for the Initial Study Grant. The applicant has obtained cost quotations for proposed additional environmental work that are consistent with the current state of practice. This report recommends that the application for an Initial Study Grant for 323 Rideau Street (North Parcel) be approved to a maximum of \$20,000. If approved, the grant will be paid to the property owner once the studies are completed and reports have been provided to the City to the satisfaction of the Environment Director.

This report also recommends the passing of a by-law to permit the Initial Study Grant to be paid out upon completion of the required elements. Three readings of the proposed by-law are requested in order to expedite the applicant's ability to incur eligible costs and begin work on the project.

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Recommendation:

That Council approve the application to deem 323 Rideau Street as eligible to receive up to \$20,000 in an Initial Study Grant under the Community Improvement Plan – Brownfields Project Area 1a; and

That the City Treasurer be authorized to issue the grant payment to the registered property owner of 323 Rideau Street at the time payment is requested, subject to satisfactory review of required documentation by the Environment Director; and

That Council give all three readings to the by-law, attached to Report Number 19-264 as Exhibit A, to provide an Initial Study Grant for the property known as 323 Rideau Street.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

**Peter Huigenbos, Acting
Commissioner, Community
Services**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

**Lanie Hurdle, Interim Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	OK
Sheila Kidd, Commissioner, Transportation & Public Works	Not required
Deanne Roberge, Acting Commissioner, Corporate Services	Not required

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Options/Discussion:**Brownfield Initial Study Grant Program**

The Initial Study Grant component of the City's Brownfield CIP financial incentives program provides grants for Phase II and Phase III Environmental Site Assessments, and Site Specific Risk Assessments, with a maximum of two studies per property and a total grant of no more than 50% of actual costs, up to a maximum of \$20,000 per grant. The program is designed to fund studies for potentially contaminated brownfield properties within the City of Kingston's Brownfield Community Plan Project Areas.

2521909 Ontario Inc., the owner of the property at 323 Rideau Street (the north land parcel of the former Bailey Broom Factory), has made an application to the City for Initial Study Grant funding under the City of Kingston's Brownfield CIP. The grant will assist in the completion of additional Phase II Environmental Site Assessment (ESA) work and a site specific risk assessment (SSRA) that will determine the extents and aspects of environmental remediation that may be required to accommodate planned redevelopment of the property for residential use. The property is within Project Area 1a of the City's Brownfield CIP and is therefore eligible to apply for the requested funding. An Initial Study Grant application was approved by Council for the southern portion of the property at 305 Rideau Street as per [Report Number 17-128](#). The applicant has provided cost quotations from a qualified firm to undertake the work. Staff have reviewed the submitted work plans and costs and consider them in conformance with current market rates and state of practice.

This application satisfies the criteria of the City of Kingston's CIP Program – Brownfield Project Area 1a for Initial Study Grant funding. Real Estate & Environmental Initiatives staff have reviewed the application and recommend the approval of the grant funding as described within this report. Under the terms of the Initial Study Grant program, the owner is required to provide the City with a copy of the completed Phase II ESA and site specific risk assessment reports, as well as demonstration of actual costs incurred and payment of contracted service providers, prior to the release of a grant payment.

The subject application is for the approval of an Initial Study Grant only; it does not in any way commit the City to any other financial incentives of the Brownfields program, or to any planning approvals that will be required before site development can proceed. The owner may apply for additional assistance under the Brownfields program but only following the completion of the Phase II ESA study and site specific risk assessment being considered for grant funding in this report, and subject to the approval of a separate application and report to City Council.

323 Rideau Street

The property is located on the east side of Rideau Street immediately north of its intersection with Cataragui Street. It is a parcel of the former Bailey Broom Factory property that was sold by the City to Raw Designs in 2016 and has been host to various industrial uses and filling that have created situations of suspected soil and/or groundwater contamination. The owner has stated that their proposed redevelopment of the property will be comprised of a medium density residential building. The conversion of a former industrial property to residential use requires

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that environmental quality standards be met and that a Record of Site Condition (RSC) be completed for the property.

Eligibility of Costs

Eligible costs for a Phase II ESA and site specific risk assessment work can be recovered through the Initial Study Grant program only if incurred by the owner following approval of the application by City Council. Eligible costs for environmental and risk assessment work, which are not recoverable through the Initial Study Grant program, may be recovered by the owner through a future Tax Increment Rebate Grant Program (TIRGP) if such applications are approved by City Council.

This report recommends approval of the requested Initial Study Grant and a by-law for the purpose of enacting the Initial Study Grant.

Existing Policy/By-Law:

Brownfield Community Improvement Plan, revised February 2019

Notice Provisions:

Not applicable

Accessibility Considerations:

Not applicable

Financial Considerations:

This report recommends approval of an Initial Study Grant at a maximum value of \$20,000 which would be funded from the operating budget allocation for the Brownfields Initial Study Grant program, as approved within the Real Estate & Environmental Initiatives 2019 operating budget. If this grant is approved, the Initial Study Grant incentive program will be reduced to \$1,200 for the 2019 budget year. Staff do not anticipate receiving any further applications in 2019.

Contacts:

Paul MacLatchy, Environment Director 613-546-4291 extension 1226

Other City of Kingston Staff Consulted:

Not applicable

Exhibits Attached:

Exhibit A By-Law to Approve Initial Study Grant for 323 Rideau Street

By-Law Number 2019-XX

A By-Law To Provide An Initial Study Grant Pursuant To The Requirements Of The City Of Kingston's Brownfield Community Improvement Plan Program For the Property Known As 323 Rideau Street (North Parcel)

Passed: October 1, 2019

Whereas By-Law Number 2005-40, being "A By-Law to Designate Brownfields Project Areas 1A ,1B & 1C as Community Improvement Project Areas" as amended, pursuant to Section 28(2) of the *Planning Act*, was passed by Council on February 15, 2005; and

Whereas By-Law Number 2005-41, being "A By-Law to Adopt the Community Improvement Plan for Brownfields Project Areas 1A ,1B & 1C" as amended was passed by Council on February 15, 2005; and

Whereas 2521909 Ontario Inc., the registered owners of the property known as 323 Rideau Street (North Parcel), more specifically described as:

PIN 36001-0647 Part of Lot 13 Plan B3 Kingston Designated Part 1, 13R21466; City of Kingston, The County of Frontenac

applied to the City of Kingston for an Initial Study Grant for this property, in accordance with the Community Improvement Plan and section 365.1 of the *Municipal Act*; and

Whereas the property is located within the Community Improvement Project Area 4 and is eligible for Initial Study Grant pursuant to section 365.1 of the *Municipal Act*;

Now Therefore the Council of The Corporation of the City of Kingston, pursuant to Section 28 of the Planning Act, R.S.O. 1990, and section 106(3) of the Municipal Act, 2001 S.O. 2001, c. 25, as amended, enacts as follows:

1. That the owner of the property known as 323 Rideau Street (North Parcel); PIN 36001-0647 Part of Lot 13 Plan B3 Kingston Designated Part 1, 13R21466; City of Kingston, The County of Frontenac, shall be entitled to receive an Initial Study Grant of 50% of eligible costs as described within the City of Kingston's Brownfield Community Improvement Plan and not to exceed \$20,000; and

2. That this By-Law does not constitute approval of any future application to the Brownfield Community Improvement Plan Program; and
3. That this By-Law and the associated approval or payment of the Initial Study Grant does not constitute a municipal partnership in the redevelopment and the City is not assuming any management, care or control of the project by virtue of providing any grants assistance through the brownfields community improvement plan program; and
4. That this By-Law may be amended from time to time to incorporate other aspects of the Brownfields Community Improvement Plan Program that may become applicable to the subject property; and
5. That this By-Law shall come into force and take effect on the date of its passing.

GIVEN ALL THREE READINGS AND PASSED: October 1, 2019

John Bolognone
City Clerk

Bryan Paterson
Mayor