

CITY OF KINGSTON REPORT TO COUNCIL

Report No.: 14-056

TO: Mayor and Members of Council

FROM: Cynthia Beach, Commissioner Corporate & Strategic Initiatives

RESOURCE STAFF: Paul MacLatchy, Director, Environment & Sustainable Initiatives

DATE OF MEETING: February 4, 2014

SUBJECT: Approval of Initial Study Grant Application, Brownfields Project

Areas 1C for the property located at 720 Princess Street

EXECUTIVE SUMMARY:

This report is being brought forward by David Kay acting as the Applicant Agent on behalf of Zylts Inc., current property owner of 720 Princess Street, for approval of a Brownfields Initial Study. The City's Community Improvement Plan for brownfield projects has been in effect since 2005. The programs intent is to balance the development costs between greenfield properties and brownfield properties as they may require supplemental rehabilitation costs.

The Site is currently operating as a motel and is located at 720 Princess Street, within Brownfield Project Area 1C, Williamsville, as approved by Council in March 2013. The application has been reviewed by staff and the project is considered to be eligible for an Initial Study Grant as defined in the Brownfields Community Improvement Plan.

This report recommends that the application for an Initial Study Grant for 720 Princess Street be approved. If approved, the grant will be paid to the registered property owner at the time of payment.

RECOMMENDATION:

THAT Council approve the application to deem 720 Princess Street as eligible to receive up to \$10,432 in an Initial Study Grant under the Community Improvement Plan – Brownfields Project Area 1C; and

THAT the Treasurer be authorized to issue the grant payment, to the registered property owner at the time of payment, subject to review of required documentation by the Director of Environment & Sustainable Initiatives.

Report No.: 14-056

AUTHORIZING SIGNATURES:

ORIGINAL SIGNED BY COMMISSIONER Cynthia Beach, Commissioner Corporate & Strategic Initiatives ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER Gerard Hunt, Chief Administrative Officer

CONSULTATION WITH THE FOLLOWING COMMISSIONERS:

Lanie Hurdle, Community Services	N/R
Denis Leger, Transportation, Facilities & Emergency Services	N/R
Jim Keech, President and CEO, Utilities Kingston	N/R

(N/R indicates consultation not required)

Report No.: 14-056

OPTIONS/DISCUSSION:

David Kay acting as the Applicant Agent on behalf of Zylts Inc. has made application to the City for an Initial Study Grant under the Brownfield Community Improvement Plan (CIP) Program to assist in funding the completion of a Phase II Environmental Site Assessment for the property at 720 Princess Street in Kingston.

This application satisfies all the criteria of the Community Improvement Program – Brownfield Project Areas 1C. Environment and Sustainable Initiatives Department staff have reviewed the application and recommended the approval of the application as outlined in this report. This grant will assist the property owner in producing a Phase II Environmental Site Assessment. Under the terms of the program the owner is required to provide a copy of the Environmental Assessment report prior to release of a grant payment. This Phase II Environmental Site Assessment is required in order to determine eligibility for further Brownfield funding as the future plans for the property is to convert the existing commercial hotel into 51 to 55 residential rental units and will be required to receive a Record of Site Condition for the property. The Record of Site Condition is a mandatory document when changing a property's land use to a more sensitive land use, i.e. commercial to residential use.

The property comprises of only 720 Princess Street and is located in the Princess Street Central Business District. In the Williamsville Main Street Study, this site is considered an Under-Utilized site. It is bounded by Princess Street to the north, part of Toronto Street and part commercial to the east and part residential and part commercial to the west. The property is currently occupied as an active, operating Super 8 Motel.

A Phase I Environmental Site Assessment was conducted in November 2013, which concluded that additional investigation is required to adequately review the subsurface conditions on the subject property and to obtain a Record of Site Condition. Following the Phase II Environmental Site Assessment there may be a requirement for remediation of the property.

The initial study grant in the Brownfield financial incentives program provides grants for Phase II, Phase III Environmental Site Assessments and Site Specific Risk Assessments to a maximum of two studies per property for a total grant of no more than \$20,000. The program is designed to fund studies on up to three properties within the City of Kingston's Brownfield Community Plan Project Areas per year. To date no Initial Study Grants have been funded in 2014. The grant is to be equal to fifty percent (50%) of the cost of the initial study or \$20,000, whichever is less.

Estimates provided by the owner's consultant estimate the Supplemental Phase II Environmental Site Assessment will cost approximately \$20,865 to complete. Within the Brownfield program the owner is eligible for a grant of 50% of this cost which is a maximum of \$10,432.

Report No.: 14-056

This 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 under the Community Improvement Plan – Brownfield Project Area 1C, or any planning approvals that will be required before site development can proceed. The owner could apply for additional funding under the Brownfields program but only following the completion of the study being considered in this report. This would be subject to another application to the Planning Committee in the future.

EXISTING POLICY/BY LAW:

By-Law 2006-125 and By-Law 2006-126 are by-laws giving approval of Brownfields Project Areas 1A & 1B as Community Improvement Areas and a by-law to amend By-Law 2005-41 to adopt the Community Improvement Plan for Brownfields Project Areas 1A & 1B. The City of Kingston received a notice of decision from the Ministry of Municipal Affairs and Housing dated July 26, 2006 giving approval of Amendment No. 1 of the City's Community Improvement Plan effective August 16, 2006.

On March 5, 2013, Council passed By-Laws No. 2013-63 and No. 2013-64, which constituted Amendment No. 2 to the Community Improvement Plan for Brownfields Project Areas 1A, 1B and 1C. This amendment revised the boundaries of Project Area 1A, added a new Project Area 1C (Williamsville Main Street Area). Due to recent legislative changes, Ministry of Municipal Affairs and Housing approval was not required for Amendment No. 2 to the CIP and it came into force on March 5, 2013.

NOTICE PROVISIONS:

There are no notice provisions required for this action.

ACCESSIBILITY CONSIDERATIONS:

There are no accessibility considerations at this time.

FINANCIAL CONSIDERATIONS:

The initial study grant amount of \$10,432 will be funded from the operating budget allocation for this grant program, as approved within Environment & Sustainable Initiatives 2014 operating budget. If approved, the grant incentive program will have a balance of \$49,568 remaining available for other applicants in 2014.

February 4, 2014

Report No.: 14-056

- Page 5 -

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OTHER CITY OF KINGSTON STAFF CONSULTED:

Pat Carrol, Manager Taxation and Revenue 613-546-4291 ex 2468 Desiree Kennedy, City Treasurer 613-546-4291 ex 2220

EXHIBITS ATTACHED:

Exhibit A – Site Map of 720 Princess Street

Site Map of 720 Princess Street

