



The Evolution and Success of Brownfield Redevelopment and The Environmental Remediation and Site Enhancement (ERASE) CIP

Presentation to the Canadian Brownfield Network

June 12, 2019



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1

The Perception of Hamilton...



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2

...The Reality

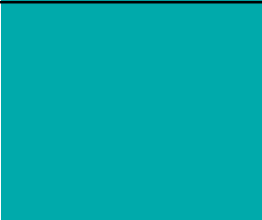


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Brownfields in Hamilton

- The historic manufacturing legacy in Hamilton has resulted in many brownfield sites
- The highest concentration of brownfields are generally in the older areas of the City such as the Bayfront Industrial Area and Downtown, among other areas
- A Historical Land Use Inventory (2008) identified 1386 sites throughout the Urban Area that have the *potential* for contamination
- Hamilton's brownfields range greatly in size from small main street properties to large former industrial complexes
- In some cases brownfields contain active uses on large under-utilized properties

4





Evolution of the ERASE CIP



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5

Evolution of the ERASE CIP Bayfront Industrial Area



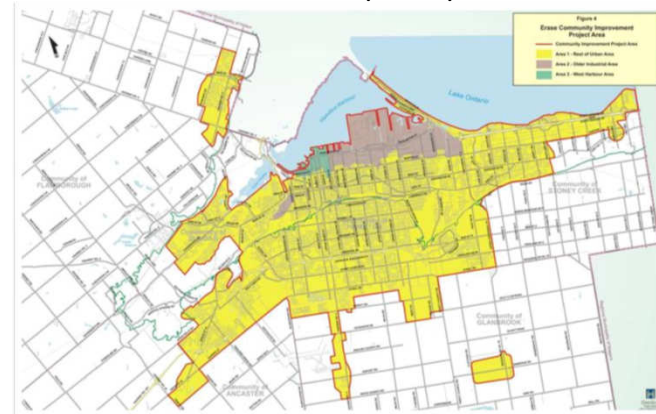
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6

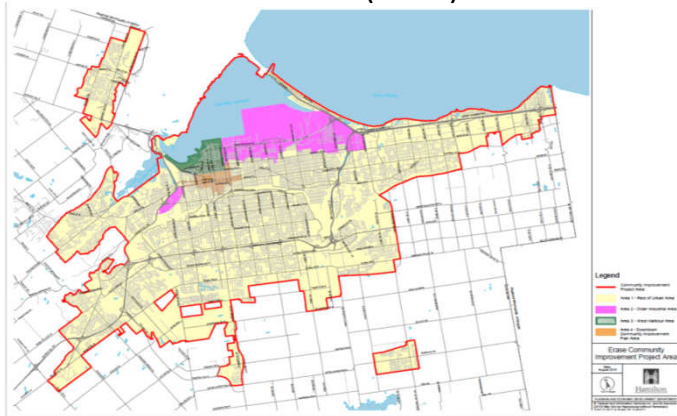
Evolution of the ERASE CIP CIP Area (2001)



Evolution of the ERASE CIP CIP Area (2005)



Evolution of the ERASE CIP CIP Area (2010)



Evolution of the ERASE CIP The CIP Today...

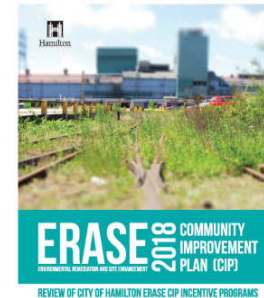
- Applies to the entire Hamilton Urban Area
- Contains a comprehensive set of programs designed to encourage and promote brownfield redevelopment including:
 - ERASE Redevelopment (tax-increment) Grant (ERG) (with optional DC reduction)
 - Downtown/West Harbourfront Remediation Loans
 - Environmental Study Grants (ESG)
 - Tax assistance programs
 - Municipal Acquisition and Partnership Program
- Recognized as a municipal best practices leader

2018 ERASE CIP Review

2018 ERASE CIP Review

Background

- The CIP had been in place for almost 20 years
- Was previously reviewed in 2005 and 2010
- City retained consultants to review the CIP
- The review was intended to:
 - evaluate uptake and performance
 - review other best practices
 - further enhance the effectiveness and performance of the CIP programs in the Urban and Bayfront Industrial areas



2018 ERASE CIP Review

Review of Municipal Best Practices

Type of Program	Municipality									
	Brantford	Cornwall	Guelph	Hamilton	Kingston	Kitchener, Cambridge, Waterloo/ Waterloo Region	Niagara Falls/ Niagara Region	Ottawa	Windsor	Edmonton
1) Project Feasibility Study Grant		X						X	X	
2) Environmental Study Grant		X	X	X	X	X	X	X	X	X
3) Property Tax Assistance (Freeze/ Cancellation)	X	X	X	X	X	X	X	X	X	
4) Tax Increment Grant (TIG)	X	X	X	X	X	X	X	X	X	X
5) Development Charge Reduction	X			X		X	X	X	X	
6) Remediation Loan				X						
7) Municipal Tipping Fees Grant		X								
8) Planning/ Building Permit Fees Grant		X						X	X	
9) Payment-in-Lieu of Parkland Dedication Grant		X								

2018 ERASE CIP Review

Improvements Made for Continued Success

ERASE Study Grant (ESG) Program:

- The maximum City contribution as part of the ERASE Study Grant Program increased from \$25,000 to \$35,000 for two studies per property/project;
- That the ERASE Study Grant Program date for maximum of 2 studies per property be reset to July 1, 2011;
- A new requirement for two quotes;
- Designated Substances and Hazardous Material Survey and Industrial/Office Reuse Feasibility Study added as eligible studies for:
 - current/closed institutional buildings
 - heritage buildings
 - buildings within the older industrial area

2018 ERASE CIP Review

Improvements Made for Continued Success

ERASE Redevelopment Grant (ERG) Program:

- Eligible costs expanded to include removal/abatement of designated substances and hazardous materials for:
 - current/closed institutional buildings;
 - heritage buildings; and
 - the older industrial area.

Downtown/West Harbourfront Remediation Loan Program:

- Interest rate decreased from prime minus 1% to 0% and the loan repayment period reduced from 10 years to 5 years.



2018 ERASE CIP Review

Brownie Awards 2018

Hamilton's 2018 ERASE CIP update won in the category of Best Overall Project for 2018.





Brownfield Successes

Hamilton

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17

Brownfield Successes



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18

Brownfield Successes Barton Street Area



Brownfield Successes Barton Street Area



Brownfield Successes

Barton Street Area



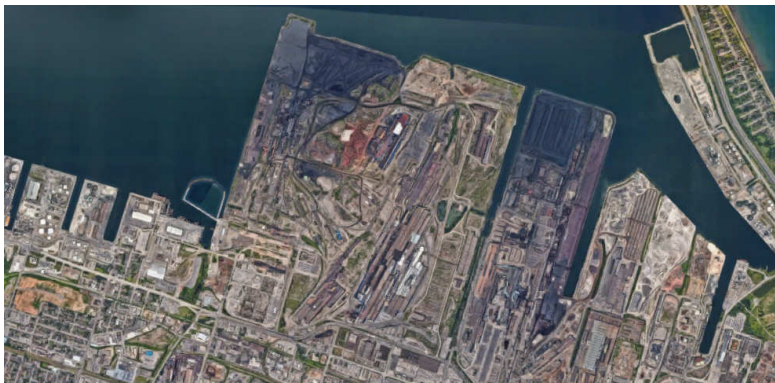
Brownfield Successes

Bayfront Industrial Area



Brownfield Successes

Bayfront Industrial Area



Brownfield Successes

Bayfront Industrial Area

- Bayfront provides by far **the highest total assessment of almost \$1.2 B.**
- **Significantly in excess** of the assessment in other areas including business park and industrial lands.
- Due to the **sheer size of the area** as well as the presence of a **high-value steel cluster.**

Business Park	Total Assessment (\$Billion)
Bayfront Industrial Park	\$1.16
Airport Business Park	\$0.17
East Hamilton Industrial Area	\$0.25
Flamborough Business Park	\$0.08
Red Hill North	\$0.21
Red Hill South	\$0.18
Stoney Creek Business Park	\$0.81
West Hamilton Innovation	\$0.06
Total	\$2.96

Brownfield Successes

McMaster Innovation Park (MIP)

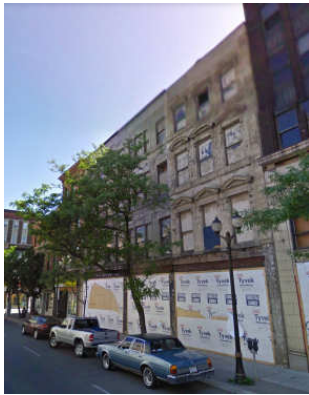


Brownfield Successes

McMaster Innovation Park (MIP)



Brownfield Successes Downtown Hamilton



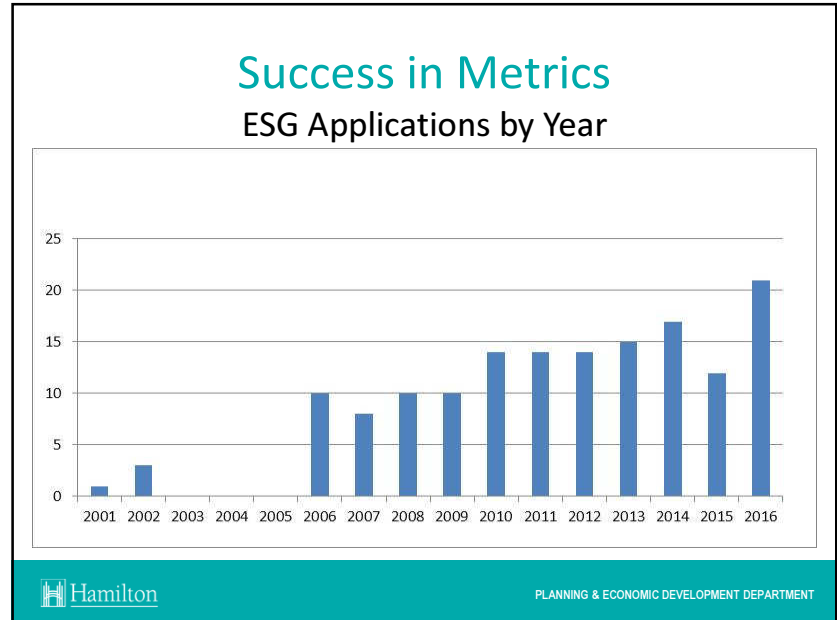
Brownfield Successes Downtown Hamilton

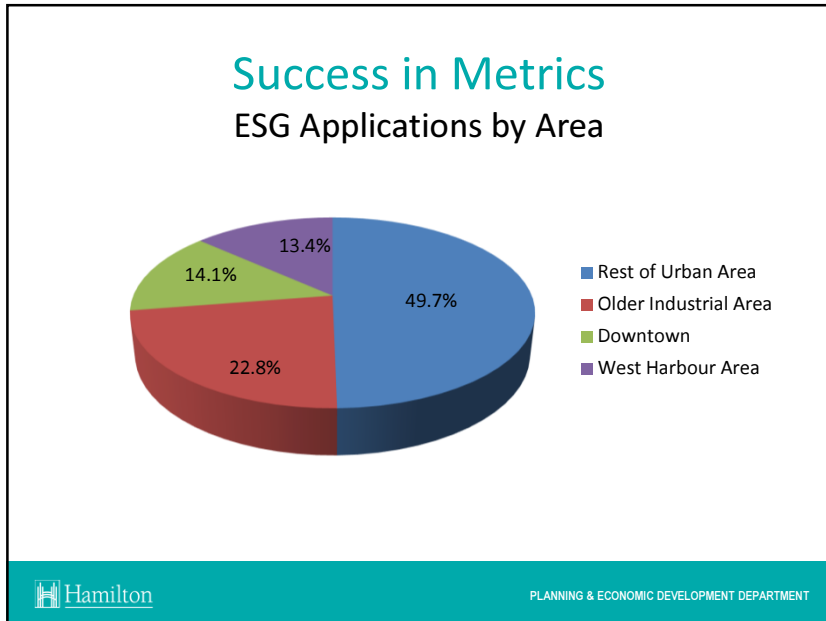




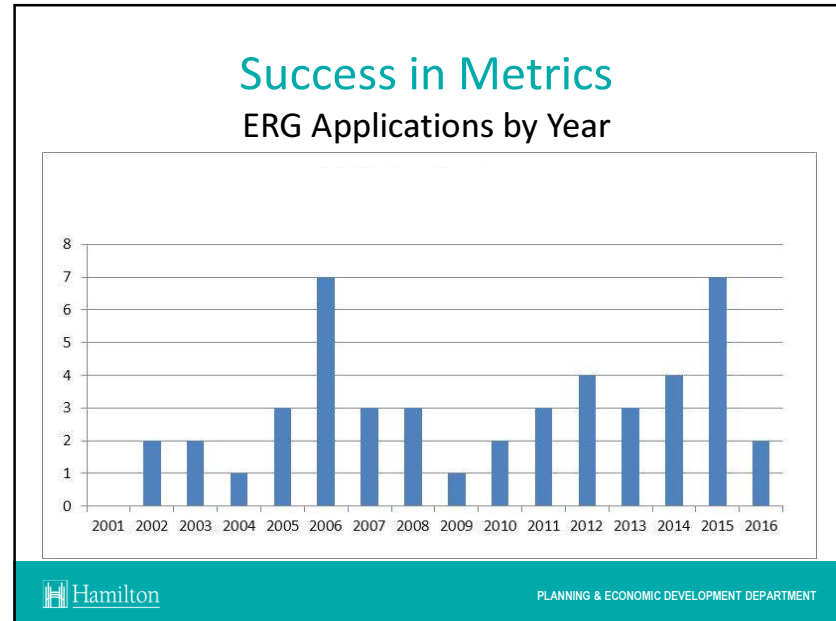
Success in Metrics

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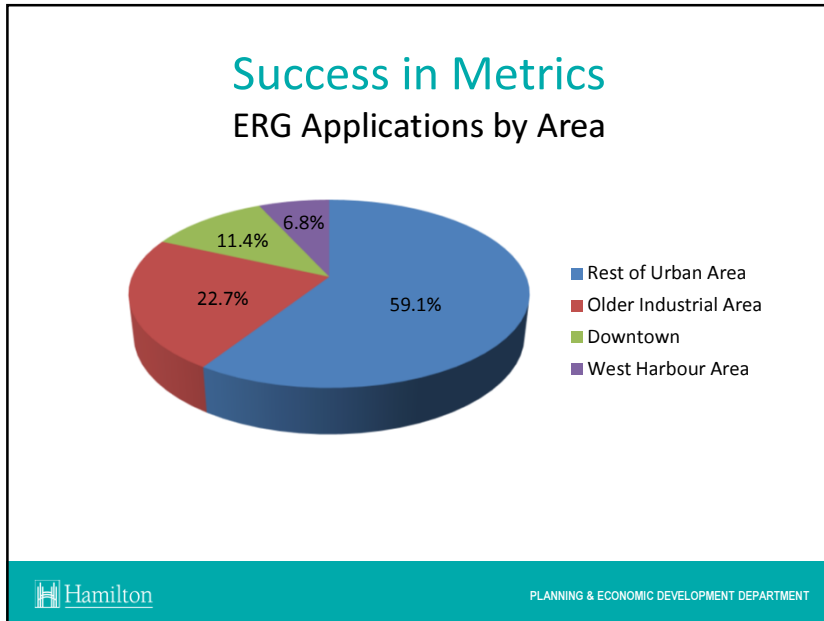




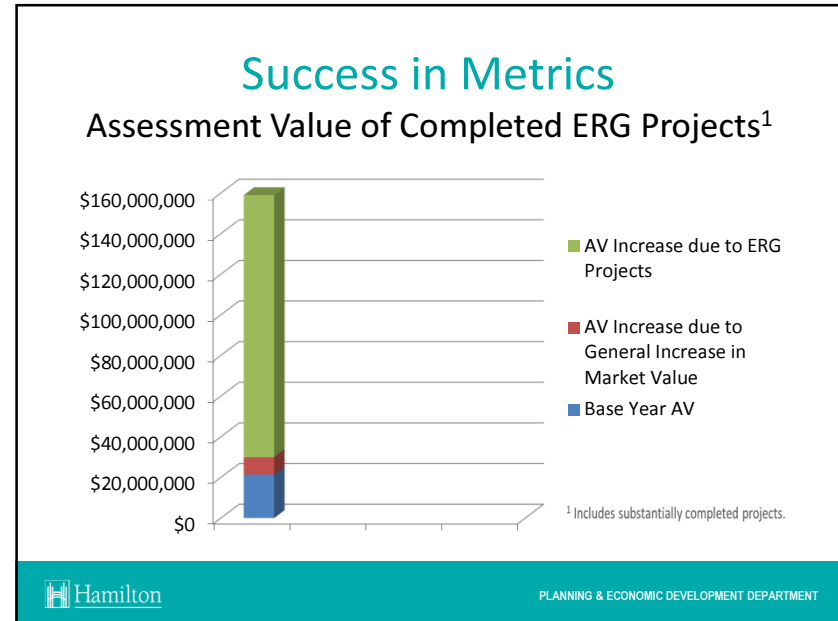
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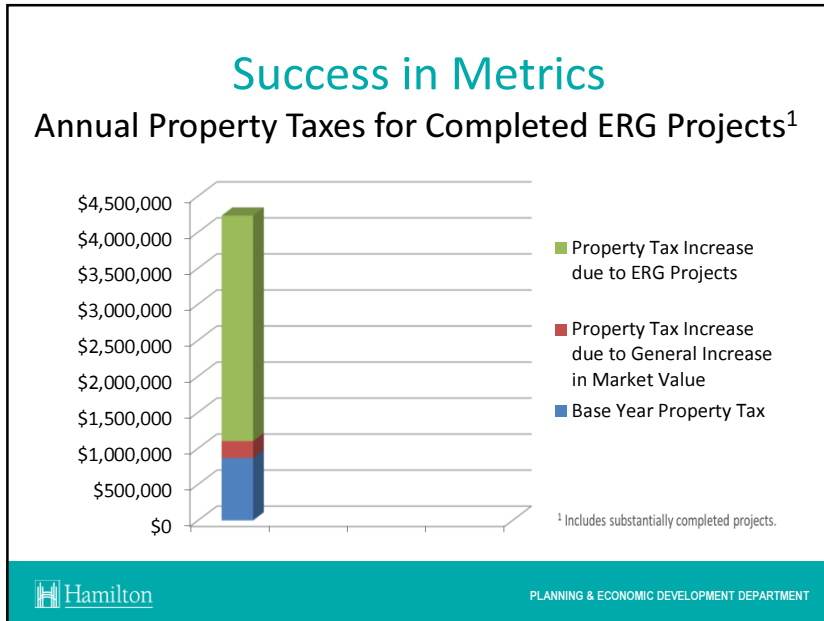
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33



34



35

- ### Success in Metrics
- #### Of the 20 ERG Projects Completed...
- \$9,598,969 in ERG grant funding commitment from City;
 - \$116,145,820 in actual construction value;
 - **Leverage Ratio = 11.1;**
 - 11 ERG projects paid **\$5,549,615 in DCs** over and above eligible remediation costs applied against DCs payable under ERG program; and
 - 19 ERG projects have paid **\$1,389,925 in building permit fees.**
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36

Success in Metrics

Overall...

- Over 380 Acres of land studied or in the process of being studies to date;
- Total assessment increase due to ERG program in excess of **\$129,029,379**;
- Every \$1 contributed by the City has generated **\$11.10 in private sector construction**; and
- Remediation and redevelopment approved on approx. 210 Acres of brownfield land of which 123 Acres (59% of approved land area) has already been remediated to date.

Questions?

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