

BROWNFIELDS

Brownfield Remediation Tax Assistance (BRTA) is a component of the **New Business Incentive Program** to encourage investment in sites where contamination has rendered the property vacant, under-utilized, unsafe, unproductive or abandoned.

All or a portion of the tax increase resulting from development may be *cancelled* by the City of Toronto to offset the remediation costs incurred by owners of brownfield properties.

BRTA may be provided for either:

- up to 2 years or until all eligible remediation costs have been compensated through the program (whichever occurs first); or
- up to 3 years or until all eligible remediation costs have been compensated through the program (whichever occurs first), if the property is also receiving Development Grants. In this case the property will be eligible for combined BRTA and Development Grants for a maximum of 12 years

In addition, the Province of Ontario may allow for the cancellation of all or a portion of the education property taxes for up to three years as a proportionate match to the City of Toronto BRTA incentive.

Eligibility:

To qualify, the property must be developed for employment uses, excluding retail that is not ancillary to the principal employment use. For a property developed for a combination of eligible and ineligible uses, the portion attributable to the ineligible uses will be determined based on the gross floor area of the ineligible use.

The following criteria must be met:

- A Phase II Environmental Site Assessment confirming that the property does not meet standards that would permit a Record of Site Condition to be filed with the Ministry of Environment;

- A brief description of the remediation proposed, including technologies to be used and the expected duration of remediation work;
- A statement and summary of all costs to be incurred in connection with the remediation;
- A signed declaration respecting funding from other City or external sources;
- The property must not be in tax or fee arrears;
- Property owners receiving BRTA will be required to enter into a Financial Incentives Agreement with the City;
- The applicant must meet any further conditions as may be included in the By-law passed pursuant to Section 333(2) of the City of Toronto Act, 2006, if any.

Eligible costs:

- Environmental studies, (i.e. Phase II Environmental Site Assessment and/or Phase III Environmental Site Assessment/Remedial Workplan);
- Environmental remediation;
- Environmental insurance premiums;
- Demolition or removal of debris relating to remediation;
- Costs of complying with a Certificate of Property Use.

How the assistance is calculated

Assistance in each year is based upon all or a portion of the municipal property tax increase resulting from post-remediation development.

The BRTA will not exceed the municipal tax increment in any given year nor will it exceed the property owner's eligible remediation costs minus any municipal rebates of taxes paid to the property owner, including but not limited to rebates to reflect vacancy, charitable status and heritage status.

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