



**City of Kingston  
Report to Council  
Report Number 17-251**

---

**To:** Mayor and Members of Council  
**From:** Lanie Hurdle, Commissioner, Community Services  
**Resource Staff:** Peter Huigenbos, Director, Real Estate & Environmental Initiatives  
**Date of Meeting:** September 19, 2017  
**Subject:** Approval of Initial Study Grant Application, Brownfields Project Area 1A for the Property Located at Former Davis Tannery, 2 River Street

---

**Executive Summary:**

This report is being brought forward on behalf of Jay Patry Enterprises, the current agent for the application at the former Davis Tannery located at 2 River Street, 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, intended to assist developers in assessing the environmental condition of their property and developing remediation plans before remediation and redevelopment, and to support additional applications to the brownfield program that may be made at a later date. The current owner has provided authorization to the agent to apply for the Study Grant.

The property is within Brownfield Project Area 1A, as approved by Council in March 2013, and is therefore eligible to apply for the Initial Study Grant.

This report recommends that the application for an Initial Study Grant for the former Davis Tannery, located at 2 River Street, be approved to a maximum of \$20,000. Estimates provided by the agent's consultant have indicated that the supplemental Phase II ESA work will cost up to \$111,819 on the 2 River Street property. Based on the estimate provided, the owner is eligible for a maximum Initial Study Grant amount of \$20,000. If approved, the \$20,000 grant will be paid to the registered 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.

September 19, 2017

Page 2 of 6

In 2017, two Brownfield Initial Study Grants have been previously approved by Council for other projects which reduced the budget available to \$13,794 for the remainder of the 2017 calendar year. This report also recommends authorization to utilize up to \$6,206 from the Environmental Reserve Fund to make up the budget shortfall and supply the full payment of the subject Initial Study Grant in 2017.

**Recommendation:**

**That** Council approve the application to deem 2 River Street, known as the former Davis Tannery, 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 Treasurer be authorized to issue the grant payment, to the registered property owner of 2 River Street, known as the former Davis Tannery, 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 17-251 as Exhibit B, to provide an Initial Study Grant for the property at 2 River Street, known as the former Davis Tannery; and

**That** Council approve the use of up to \$6,206 from the Environmental Reserve Fund to fund the approved Initial Study Grant for the former Davis Tannery property.



September 19, 2017

Page 4 of 6

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

The initial study grant component of the Brownfield financial incentives program provides grants for Phase II Environmental Risk Assessments, Remedial Action Plans 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 total grant amount of \$20,000. The program is designed to fund studies for potentially contaminated brownfield properties within the City of Kingston's Brownfield Community Plan Project Areas. To date, two Initial Study Grant applications have been received and approved in 2017.

The current owners of the property, Rideau Renewal Inc., have provided authorization for Jay Patry Enterprises to submit an application to the City for Initial Study Grant funding under the City of Kingston's Brownfield Community Improvement Plan (CIP), to assist in the completion of a Phase II Environmental Site Assessment (ESA) for the property at 2 River Street in Kingston.

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 report, as well as demonstration of actual costs incurred, prior to the release of a grant payment. A Phase II ESA is required in order to determine the scope of, and eligibility for other components of the Brownfield CIP program that the owner may make application for.

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 being considered in this report, and subject to approval of a separate application and report to City Council.

**The Former Davis Tannery Property**

The property is 32 acres and is bound by River Street to the south, Belle Park to the north, the Cataraqui River to the east and Rideau Street to the west. The irregular-shaped property has no structures, has been vacant since 1973, and was most recently used as a leather tanning operation and a smelting operation.

A Phase I ESA was completed for the property in August 2017 and the report was provided to the City as part of the application for the Initial Study Grant. The Phase I ESA concluded that additional investigation is required to assess the subsurface conditions on the property and to obtain a Record of Site Condition (RSC).

Estimates provided by the agent's consultant have indicated that the supplemental Phase II ESA work will cost up to \$111,819 on the 2 River Street property. Based on the estimate

September 19, 2017

Page 5 of 6

provided, the owner is eligible for a maximum Initial Study Grant amount of \$20,000 for the 2 River Street property.

The owner has stated that their plan for the property includes the development of four residential buildings comprising of a total of 1,500 residential units, 50,000 square feet of commercial and associated parking. A RSC, filed with the Ministry of Environment and Climate Change, is a mandatory document when changing a property's land use to a more sensitive land use (i.e. industrial use to residential use). The Qualified Person who completed the Phase I ESA has determined that a RSC would be required for a residential development at the property.

**Eligibility of Costs**

Eligible costs for supplemental Phase II ESA 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 assessment and remediation work planning which are not recoverable through the Initial Study Grant program may be recovered by the owner through the Brownfield Financial Tax Incentive Program (BFTIP) and the Tax Increment Rebate Grant Program (TIRGP), if those 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, Brownfields Project Areas 1A, 1B, 1C, 1D and 2

**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, of which \$13,794 would be funded from the operating budget allocation for the Brownfields Initial Study Grant program, as approved within the Real Estate & Environmental Initiatives 2017 operating budget. The remainder of the grant in the amount of \$6,206 is recommended to be authorized and funded from the Environmental Reserve Fund.

If this grant is approved, the grant incentive program will be depleted for any other applicants in 2017. Any future Initial Study Grant applications would require additional funding consideration by City Council accordingly.

September 19, 2017

Page 6 of 6

**Contacts:**

Paul MacLatchy, Environment Director, Real Estate & Environmental Initiatives 613-546-4291 extension 1226

**Other City of Kingston Staff Consulted:**

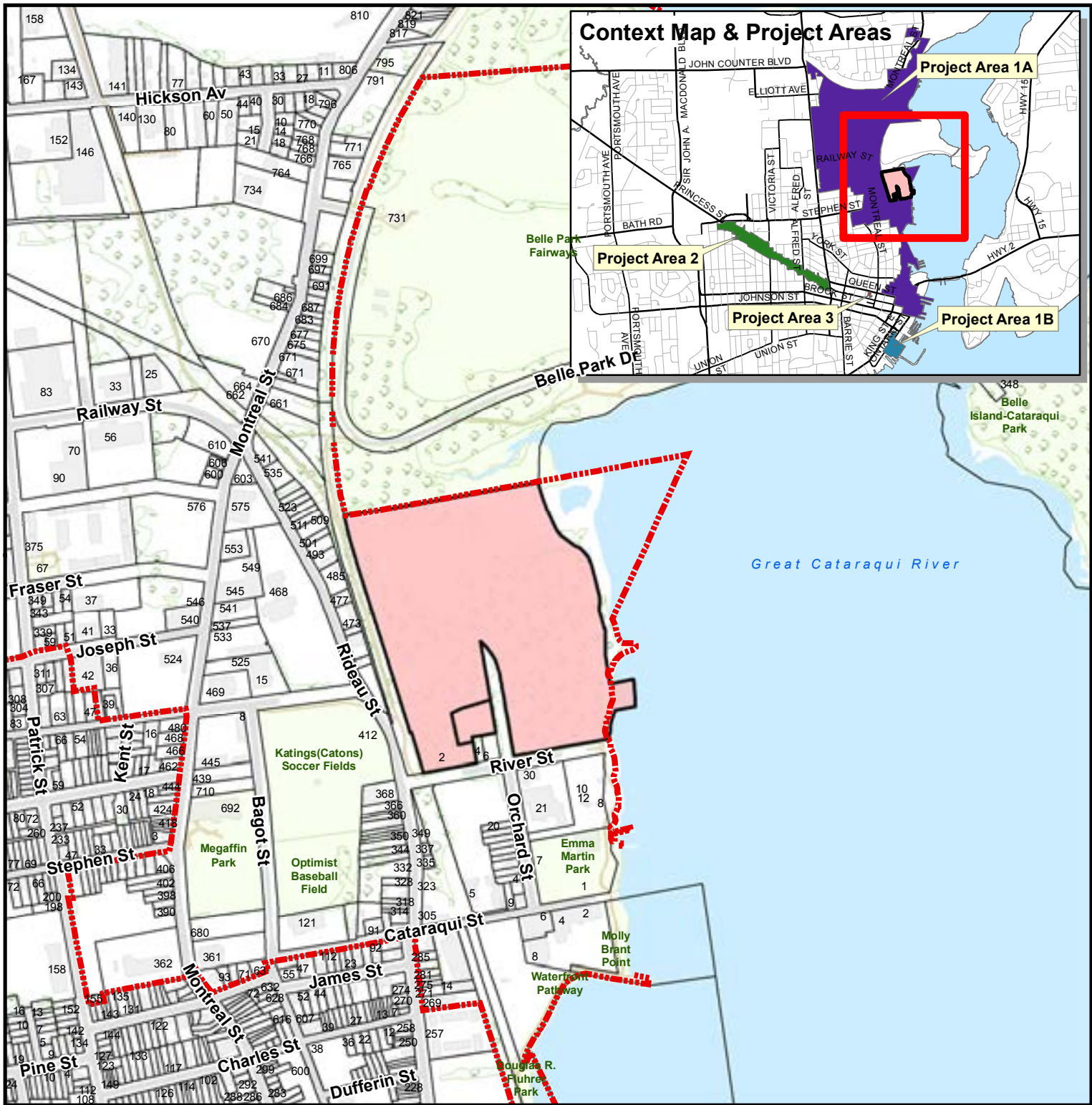
Nathan Richard, Project Manager, Brownfields, Real Estate & Environmental Initiatives

Jeff Walker, Manager, Taxation & Revenue, Financial Services

**Exhibits Attached:**

Exhibit A Map of 2 River Street

Exhibit B By-Law to Approve Initial Study Grant for 2 River Street






Planning, Building & Licensing Services

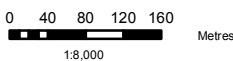
a department of Community Services

THE CORPORATION OF THE CITY OF KINGSTON  
**Brownfield Project Areas**

**Address: 2 River Street**

**LEGEND**

-  Subject Property
-  Brownfield Project Area
-  Property Boundaries



PREPARED BY: A. Dowler  
 DATE: 8/30/2017

Disclaimer: This document is subject to copyright and may only be used for your personal, noncommercial use provided you keep intact the copyright notice. The City of Kingston assumes no responsibility for any errors, and is not liable for any damages of any kind resulting from the use of, or reliance on, the information contained in this document. The City of Kingston does not make any representation or warranty, express or implied, concerning the accuracy, quality, or reliability of the use of the information contained in this document. ©2017 The Corporation of the City of Kingston.



**By-Law Number 2017-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 The Former Davis Tannery at 2 River Street****Passed:** September 19, 2017

**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** Jay Patry Enterprises, the agent for the registered owners of the property known as 2 River Street, more specifically described as:

PIN Numbers: 36001-0077, 36001-0091, 36001-0094 to 36001-0102 inclusive, 36001-0325 to 36001-0348 inclusive and 36001-00346.

That portion of Lots 18 and 19, Plan B3, designated as Part 1 on reference Plan 13R-17115;

That portion of Lots 17, 18, and 19, Plan B3, designated as Parts 1 and 2 on reference Plan 13R-1199;

Those portions of Lots 17, 18, and 19, Plan B3 and of Lots 1 and 2 in Concession West of the Great Cataraqui River, designated as Parts 6 and 7 on reference Plan 13R-1096, save and except the lands now described in Registered Plan 1896; and

Lots 1 – 100 inclusive, Blocks 101 – 103 inclusive and Orchard Street, Tanbay Gardens, Tannery Park Road, Royal Oak Place and Oak Leaf Circle, all as described in registered Plan 1896

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 1A 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 2 River Street, Kingston 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:** September 19, 2017

---

**John Bolognone**  
City Clerk

---

**Bryan Paterson**  
Mayor