



**City of Kingston
Report to Council
Report Number 19-122**

To: Mayor and Members of Council
From: Peter Huigenbos, Acting Commissioner, Community Services
Resource Staff: Paul MacLatchy, Environment Director, Real Estate & Environmental Initiatives
Date of Meeting: May 8, 2019
Subject: Approval of Initial Study Grant Application for the Former Prison for Women Property Located at 40 Sir John A. Macdonald Boulevard

Executive Summary:

This report is being brought forward on behalf of Siderius Developments Ltd., the current registered owners of the property at 40 Sir John A. Macdonald Boulevard (the former Prison for Women), 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 property is within Brownfield Project Area 4, a new site-specific project area approved by Council in February 2019, and is therefore eligible to apply for the Initial Study Grant.

This report recommends that the application for an Initial Study Grant for 40 Sir John A. Macdonald Boulevard be approved to a maximum of \$18,800. If approved, the 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 passing of a by-law to permit the Initial Study Grant to be paid out upon completion of the required elements.

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Recommendation:

That Council approve the application to deem 40 Sir John A. Macdonald Boulevard as eligible to receive up to \$18,800 in an Initial Study Grant under the Community Improvement Plan – Brownfields Project Area 4; and

That the Treasurer be authorized to issue the grant payments, to the registered property owner of 40 Sir John A. Macdonald Boulevard at the time of payment, 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 19-122 as Exhibit A, to provide an Initial Study Grant for the property known as 40 Sir John A. Macdonald Boulevard.

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

The Initial Study Grant component of the Brownfield 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 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 Improvement Plan (CIP) Project Areas.

Siderius Developments Ltd., the owner of the property at 40 Sir John A. Macdonald Boulevard (the former Prison for Women), have made an application to the City for Initial Study Grant funding under the City of Kingston's Brownfield CIP to assist in the completion of a Phase II Environmental Site Assessment (ESA) that will assess whether further remediation is required to accommodate redevelopment. The property became eligible to apply for the requested funding upon Council's approval of adding the site specific Project Area 4 to the City's Brownfield CIP at the February 5, 2019 meeting of Council.

This application satisfies the criteria of the City of Kingston's CIP Program – Brownfield Project Area 4 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 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. Approval of the grant application 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 for grant funding in this report, and subject to approval of a separate application and report to City Council.

40 Sir John A. Macdonald Boulevard

The property is bounded by Sir John A. Macdonald to the east and Union Street and King Street to the north and south respectively. The owner has stated that the proposed redevelopment of the property will include residential and commercial components that involve the construction of three new buildings and the extensive renovation of the existing former Prison for Women building. The proposed redevelopment will be a mixed use comprised of residential, retail and office space for a total area of approximately 795,000 square feet of buildings and approximately 146 surface parking spots. Residential components may require the production of a Record of Site Condition to permit the proposed changes in land use.

A Phase I ESA, completed in March 2019, concluded that various sources of actual or potentially significant environmental contamination were identified upon the property. Additional

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investigative work in the form of a Phase II ESA is being proposed to determine actual conditions and inform remediation plans.

Eligibility of Costs

Eligible costs for 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 Tax Increment Rebate Grant Program (TIRGP) if 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 \$18,800 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 have a budget of \$21,200 remaining for other potential applicants 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 40 Sir John A. Macdonald Boulevard

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 40 Sir John A. Macdonald Boulevard

Passed: May 8, 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 Siderius Developments Ltd., the registered owners of the property known as 509 Rideau Street, more specifically described as:

PIN 36018-0086 Plan 54 PT BLK 182 RP; 13R18756 Parts 1 to 21; 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*; and

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 40 Sir John A. MacDonald Boulevard; PIN 36018-0086 Plan 54 PT BLK 182 RP;13R18756 Parts 1 to 21; 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 \$18,800, 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: May 8, 2019

John Bolognone
City Clerk

Bryan Paterson
Mayor