

---

# LAND-USE PLANNING SUBCOMMITTEE REPORT

## TOWNS TASK FORCE

---

*Submitted to UNSM Board of Directors*

*February 14, 2014*

### **Contents**

Task 1 (Recommendation 21) – Consult Adjacent Municipalities .....	2
Task 2 (Recommendation 22) – Encourage Regional Planning.....	3
Additional Subcommittee Recommendation - Government Offices.....	5
Task 3 (Recommendation 28): Encourage Brownfield Redevelopment.....	5
Task 4 (Recommendation 31) - Joint Development Zones .....	5
Appendix A - Encouraging Brownfield Development .....	7

## Background

The Towns Task Force Report contains two Goals which include recommendations that speak to the matter of land use and development, namely:

- Goal 5 – *Enhance the support of and use of regional service delivery models, and*
- Goal 6 – *Provide new tools and incentives to increase economic growth in downtowns.*

The land use and development recommendations that fall under these theme areas recognize the need for and advantages of a regional focus to land use planning/development, and the importance of providing a municipal land use environment to attract business.

Four tasks, two under each of the above goals, were assigned to the Land Use Planning Implementation (LUP) Sub-committee. This report contains the LUP Sub-committee's recommendations on implementing these tasks. This report is submitted to the Towns Task Force Coordinating Committee, and then presented to the UNSM Board for approval.

### **Task 1 (Recommendation 21) – Consult Adjacent Municipalities**

*Amend MGA to require that municipalities developing or reviewing municipal planning strategies consult with adjacent municipalities on land just outside municipal boundaries.*

#### **Committee Recommendation:**

That the MGA be amended as follows:

#### ***Existing MGA Wording:***

#### **204 Public Participation Program**

1. A council shall adopt, by policy, a public participation program concerning the preparation of planning documents.
2. A council may adopt different public participation programs for different types of planning documents
3. the content of public participation program is at the discretion of the council, but it shall identify opportunities and establish ways and means of seeking opinions of the public concerning the proposed planning documents.

### **Suggested Amendments to Section 204(3)**

*The content of a public participation program is at the discretion of the council, but shall identify opportunities and establish ways and means of seeking the opinions of the public **and adjacent municipalities** concerning the proposed planning documents.*

### **Task 2 (Recommendation 22) – Encourage Regional Planning**

*In future, there should be joint provincial/municipal review of financial incentives and/or legislation in order to encourage more holistic regional planning models.*

#### **Committee Recommendations:**

1. That the MGA be amended as follows:

Existing MGA Wording: 215 Intermunicipal Planning Strategy

- 1) Councils of two or more municipalities may agree to adopt a mutually binding intermunicipal planning strategy.
- 2) The provisions of this Act that apply to a municipal planning strategy apply to an intermunicipal planning strategy.

### Suggested MGA Amendments to Section 215

- 1) Councils of two or more municipalities may engage in collaborative intermunicipal planning, including but not limited to:
  - a) regional planning, for a geographic region that encompasses at least two municipalities, or
  - b) joint area planning, for a geographic area of mutual interest to adjacent municipalities.
- 2) The collaborating municipalities may enter into an intermunicipal agreement to provide a framework for intermunicipal planning. The geographic area, nature, scope and level of detail of the intermunicipal planning, is a decision of the collaborating municipalities.
- 3) Matters included in collaborative intermunicipal planning may include, but not limited to, cost sharing, land use, including residential, commercial and industrial, transportation networks and traffic /commuter patterns, municipal water supplies and systems as well as sanitary and storm sewer systems, other municipal services/infrastructure, and other matters that cross municipal boundaries.
- 4) Where the collaborating municipalities agree to adopt an intermunicipal planning strategy, it shall be mutually binding and the provisions of this Act that apply to a municipal planning strategy apply to an intermunicipal planning strategy. Planning documents, including secondary strategies of individual municipalities that are party to an intermunicipal planning strategy shall be consistent with any applicable intermunicipal planning strategy.
- 5) The regulation of development pursuant to intermunicipal planning is only permitted by way of planning documents adopted under this Part of the Act.
- 6) The provisions of this Act regarding mediation apply to intermunicipal planning. With respect to joint area planning, where one municipality desires to engage in joint area planning and the adjacent municipality refuses to participate, ***the former may apply for an Alternate Dispute Resolution process.*** (Note the exact wording will be updated to reflect the outcomes of the Governance and Dispute Resolution Committee.)

2. That a provincial funding program be developed to reward municipalities that voluntarily work together on regional planning initiatives. The program would provide funding to municipalities on a cost-shared basis towards regional planning studies. A precedent has already been set for such a funding initiative. The Province, in 2011, provided \$50,000 towards Kings 2050, a partnership among the four municipalities in Kings County aimed at guiding the long term sustainable development of Kings County.

## **Additional Subcommittee Recommendation (Government Offices)**

That consideration be given to the development of a provincial policy that would include evaluative criteria to assess the social and economic impacts of relocating provincial offices outside of downtowns. The policy would require consultation with the impacted municipalities.

### **Task 3 (Recommendation 28): Encourage Brownfield Redevelopment**

*The Province and municipalities should move forward to provide financial tools and other incentives to encourage brownfield redevelopment. For example, tax reduction over a period of time.*

#### **Committee Recommendations:**

- 1) Establish Provincial Grant to Offset Remediation Costs
- 2) Create Tax Assistance Program (MGA amendment required)
- 3) Create Tax Increment Equivalent Grant (MGA amendment required)
- 4) Hire Brownfield Coordinator to work in conjunction with a Proposed Brownfield Advisory Panel

***The above four recommendations are explained in the Brownfield Report found in Appendix A.***

**Task 4 (Recommendation 31) - Joint Development Zones:** (Developed jointly with Economic Development Sub-Committee) *Amend legislation to allow and encourage the creation of joint development zones between two municipalities, even if they are not geographically connected. The zones would have one residential and one commercial tax rate. The rates, which may be different than those in the partner municipalities, should also have one set of bylaws and service levels such as planning, street standards, and fire protection. These joint development zones should be established through a public hearing process.*

**LUP Committee Recommendation:** The LUP Committee, while not opposed to this recommendation, views joint development zones as a lower priority relative to the other Task Force Recommendations for the following reasons:

- Uncertain as to the benefit for municipalities
- Jurisdictional scan provided no examples of joint development zones in Canadian municipalities
- Uncertain as to whether there would be much take-up from municipalities
- May divert business away from downtowns
- UNSM solicitor suggested considerable legislative amendments would be required to support this concept.

**Coordinating Committee Recommendation:** After considering this task and the recommendation of the Land Use Planning Subcommittee, the Coordinating Committee does not recommend legislative amendments to allow Joint Development Zones.

## **Appendix A - Encouraging Brownfield Development**

**Original Towns Task Force Goal: Encourage Brownfield Development** - The Province and municipalities should move forward to provide financial tools and other incentives to encourage brownfield redevelopment. For example, tax reduction over a period of time.

### **Background:**

The industry definition of a 'brownfield site' is an abandoned, vacant, derelict or underutilized commercial or industrial property where past actions have resulted in actual or perceived contamination and where there is an active potential for redevelopment. Brownfields do not include residential property or property that is inactive or vacant but not contaminated. The number of contaminated sites in NS is unknown and difficult to estimate. Nova Scotia Environment (NSE) estimates that there are approximately 700-1000 brownfield (where contamination results in underutilization) sites in the province. The most common examples are service stations and dry cleaners.

On July 6, 2013 NSE put new contaminated site regulations and protocols into effect. Their primary objective is "to stimulate brownfield redevelopment and stimulate the economy while protecting the environment". The new regulations provide legal incentives to land owners by providing relief of regulatory liability if the regulations are followed when the property is sold. The property must have a Record of Site Condition or a Declaration of Property Condition at the time of sale. The previous owner can still be sued for civil liability if a new contamination is discovered.

The protocols and regulations provide a clear, efficient and timely process to identify, manage and clean up contaminated sites. Those responsible for cleaning up contaminated sites will now be held accountable to a consistent standard of remediation.

NSE conducted extensive consultations with stakeholders in developing the Contaminated Site Regulations and identified several financial incentive programs that would be appropriate following the implementation of the regulation and public awareness campaign:

- Loans Guarantees/ Low-Interest Loans for Remediation
- Grants for Remediation
- Tax Relief for Remediation Costs
- Insurance (for Remediation and/or Post-Closure Liability Claims)
- Assurance Funds (for Post-Closure Liability Claims)

The only source of brownfield redevelopment funding identified is the Green Municipalities Fund (GMF), delivered by the Federation of Canadian Municipalities. Grants available to municipalities and their partners for community brownfield action plans, feasibility studies, and field tests:

- Will cover 50% of the eligible costs up to a maximum of \$175,000
- Grants received through a partnership with a municipality and a private property owner are paid directly to the private property owner, NOT the municipality.

In order for non-municipal property owners to receive grant funding there must be a collaborative relationship between the property owner and the municipality regarding the remediation/redevelopment initiative.

To prove this partnership, non-municipally owned partners must provide proof of partnership – i.e. a written agreement describing all of the following:

- Intent of the partnership and initiative
- Roles and responsibilities for each party
- Contributions for each (Municipality must contribute 10% of the total eligible costs for the initiative)
- Anticipated benefits for each party from the partnership.

There have only been three successful applicants in Nova Scotia, which is partially due to the ‘proof of partnership’ requirement. It may also be the result of FCM's strict definition of a brownfield which excludes vacant or derelict buildings or structures where contamination such as asbestos may exist. To this end, the UNSM passed a resolution in 2013 requesting that FCM amend their Green Municipal Fund Program to include in their brownfield development definition, abandoned, vacant or derelict buildings or structures that contain asbestos or other hazardous materials.

The options recommended by this committee could help meet the partnership requirement, and together with UNSM's resolution, could increase utilization of the GMF.

### **Brownfield Redevelopment Options:**

Both the Economic Development and Land Use Planning subcommittees of the Towns Task Force have investigated this issue and developed a number of options aimed at encouraging brownfield redevelopment. It should be noted that these options are not mutually exclusive, and in some cases could be developed jointly.

#### **1. Provincial Grant to Offset Remediation Costs**

A provincial grant program, similar to the Green Municipalities Fund (GMF), could be created to offset costs of site remediation. This funding could be used to compliment or top-up any GMF funding. This is a simple option, but relies on additional provincial funding.

#### **2. Tax Assistance Program**

This program would provide cancellation or deferral of a percentage of the property tax to eligible property to assist with environmental remediation costs and rehabilitation. Property



owners would be eligible for this program during the environmental remediation and rehabilitation of a brownfield site – prior to development.

- Program would be delivered by each individual municipality
- A municipal bylaw would be required in order to cancel or defer the taxes.
- Maximum tax assistance would be based on the site remediation costs.
- Legislative amendments may be necessary.
- Exemption may commence at the start of the Rehabilitation Period, and continue through the Development Period, for a maximum of three (3) years in total .
- Application is made to the province for eligibility in the program by the municipality on behalf of the property owner.

The developer could see decreased property taxes, depending on the percentage of relief offered. These programs still requires any resulting increases in municipal costs to be subsidized by other properties.

### **3. Tax Increment Equivalent Grant (TIEG)**

A portion (or all) of the increased property taxes resulting from redevelopment are returned to the developer in the form of a grant. Property owners would be eligible for this program during the development stage, following site remediation. This program could immediately follow the Tax Assistance Program.

This type of grant currently being used by individual municipalities in Ontario, which has legislation specifically for the grant. This option provides less initial funding than TIF, but is much less risky. Municipalities are essentially forgoing any increased property tax revenue over the specified period. From the developers perspective, the disincentive of increased property tax is removed over the eligible period. Legislative amendments may be necessary to allow Municipalities the power to offer a TIEG program.

### **4. Fund a Brownfield Coordinator**

Hired through either AMA or UNSM, this position would assess the current brownfield situation in Nova Scotia and would work with all municipalities to encourage redevelopment of brownfield sites. The Coordinator would be responsible for guiding municipalities through the FCM's Green Municipal Fund application process, facilitating the new Contaminated Site Remediation process and any new financial assistance programs.

The Brownfield Coordinator could work with a proposed Provincial-Municipal Brownfield Advisory Panel, comprised of experts in brownfield redevelopment, developers, municipal planners and development officers, industrial and commercial property owners, and academics in the fields of planning, contaminated sites, and/or brownfield redevelopment.