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Brownfields financial tax incentive program

4–5 minutes

Overview

The Brownfields financial tax incentive program (BFTIP) is a financing tool from the Government of Ontario that helps municipalities give tax assistance to clean up brownfield properties.

A [brownfield property](#) is a vacant or underused place where past industrial or commercial activities may have left the soil or water contaminated.

Cleaning up the contamination and reusing the land to make way for places like homes, businesses, schools and recreation centres slows urban sprawl and supports:

- intensification
- neighbourhood rejuvenation
- the use of existing infrastructure

Under the program, municipalities can get provincial [education property tax](#) assistance to match [municipal property tax](#) to help offset the remediation costs a property owner incurs when cleaning

eligible brownfield properties.

If a property is eligible for the program, the Province can cancel all or a portion of the property owner's [education property taxes](#) for up to six years for business development and up to 10 years for residential development. Matching is proportional, so if a municipality cancels 50% of municipal property taxes to help the property owner, then the Province would consider cancelling 50% of the education portion of the property tax.

Eligibility

To be eligible for the program, a property must have:

1. a [Community Improvement Plan](#)
2. an [environmental site assessment](#)

Community Improvement Plan

The property must be covered by a Community Improvement Plan to rehabilitate existing built-up areas. The Community Improvement Plan may also include municipal financial incentive programs for land such as grants and loans to encourage private sector investment.

Environmental site assessment

The site must have results from a [phase 2 environmental site assessment](#) that show the property needs environmental remediation. That means work has to be done to ensure the property meets the [appropriate standards under the *Environmental Protection Act*](#).

How to apply

To qualify for matching education tax assistance, municipalities apply on behalf of brownfield property owners. If you own brownfield property, [contact your local municipality](#).

The municipality must:

1. fill out [an application for matching education property tax assistance](#) for each property
2. provide a municipal tax assistance by-law with details about the municipal property tax assistance to the brownfield property owner(s) to offset remediation costs over a set amount of time. The draft by-law must state that a tax assistance agreement is in place between the owner and the municipality before the owner can receive tax assistance
3. include a copy of the Community Improvement Plan and the by-law adopting it
4. include these three details:
 - a. current assessment information
 - b. estimates of the tax assistance to be provided
 - c. confirmation of participation by upper-tier municipalities (if applicable)
5. Contact the Senior Municipal Financial Advisor from your regional Municipal Services Office to submit the application package

Please email us for detailed requirements to:

BrownfieldsOntario@Ontario.ca

Other resources and funds

Federation of Canadian Municipalities - Green Municipal Fund

The [Federation of Canadian Municipalities - Green Municipal Fund](#) was established to stimulate investment in municipal infrastructure projects. The fund supports partnerships to leverage public and private sector funding and encourage municipal action in areas such as:

- brownfields redevelopment
- community planning
- solid waste management

Canadian Brownfields Network

[Canadian Brownfields Network](#) is a national voice and an advocacy network for practitioners and stakeholders who want to effect change regarding brownfields redevelopment and urban revitalization in Canada. They work towards connectivity within private industry, build capacity and coordinate the exchange of ideas, expertise and success stories.

Canadian Urban Institute

The [Canadian Urban Institute \(CUI\)](#) developed an [Excess Soil By-law Tool](#) based on:

- existing fill and site alteration by-laws
- [Management of Excess Soil – A Guide for Best Management Practices](#)

The tool includes guidance for municipalities on how to update key sections of the site alteration by-laws needed to effectively

manage excess soil issues.