

***Cleaning up the Past,
Building the Future:***
**A National Brownfield
Redevelopment Strategy for
Canada**

A report by the National Round Table on the
Environment and the Economy (NRTEE)

Goals

1. Put in place the essential building blocks of a coordinated, comprehensive national approach to cleaning up and redeveloping brownfields in Canada
2. Build on recent initiatives in several provinces and communities to promote brownfield redevelopment
3. Engage the full spectrum of public, private and community interests in community development

Goals (cont'd)

4. Address the priority challenges to brownfield redevelopment through a mix of policy instruments
5. Strategically focus efforts on where public investments are needed to make a difference in the future of a brownfield

Barriers

1. Finance
2. Liability
3. Awareness

Economic Benefits

- Estimated \$4.6 to \$7 billion annual public benefits
- Increased tax base for municipal, provincial and Federal levels of government
- Creation of employment opportunities
- Creation of export opportunities
- Improved competitiveness of cities
- Multiplier effect at 3.6-3.8 is highest of any sector of the economy

Socio/Environmental Benefits

- Improved quality of life in neighbourhoods
- Reduced pressures on urban sprawl
- Removal of threats to human life and safety
- Improved air quality and reduced greenhouse gas emissions
- Restoration of environmental quality in the community

Areas of Recommendations

1. Applying strategic public investments to address upfront costs
2. Establishing an effective public policy regime for environmental liability and risk management
3. Building community awareness of and capacity for brownfield redevelopment

Selected Recommendations

- Amend the Income Tax Act to permit deduction of remediation expenses from other income (Fed., Prov., Terr.)
- Remove liens and tax arrears from qualifying brownfield sites (Fed., Prov., Terr., Munic.)
- Expand role for Canada Mortgage and Housing Corporation to provide mortgage insurance for qualifying brownfield redevelopments (Fed.)

Selected Recommendations (cont'd)

- Permit binding contractual allocation of liability upon the sale of a brownfield (subject to safeguards) (Prov., Terr.)
- Provide for termination of civil liability after the expiry of an appropriate limitation period (Prov., Terr.)
- Provide for termination of on and off site regulatory liability upon issuance of regulatory remediation approval (Prov., Terr.)
- Create an insurance fund for post-liability termination claims (Fed., Prov., Terr.)

Leadership

- **Federal:** adopt and implement the strategy. Promote national matching of federal financial initiatives
- **Provincial:** provide financial support for local government/private redevelopment; enable legislation permitting municipalities to offer incentives; rationalize liability regimes
- **Municipal:** provide financing and planning incentives; simplify approvals processes; establish local redevelopment priorities; redeploy municipally-held brownfields

Leadership (cont'd)

- **Federal:** enhance its programme for federally owned brownfield sites
- **All levels of government:** when any property is purchased for government use, brownfield sites should be given priority over greenfields

Examples of change since release of NRTEE Strategy

Federal government:

- initiated an examination by the CMHC of ways it could contribute to risk-sharing arrangements to facilitate the redevelopment of brownfields.
- In the **2004 Budget**,
 - earmarked \$4 billion in new funding over the next ten years to clean up contaminated federal sites and sites for which the government has partial responsibility (an estimated 40 percent of these sites are in or near urban areas), and
 - set aside of \$200 million in new funding for the Sustainable Development Technology Canada Foundation, to support the development and commercialization of new environmental technologies including those for soil and water.
- In the **2005 Budget**,
 - earmarked funding for FCM's Green Fund for brownfield feasibility studies

Examples of change since release of NRTEE Strategy (cont'd)

Provincial government initiatives include:

- **New Brunswick** with an approach that correlates with that of the NRTEE, is acting as a “pilot” for the Atlantic provinces vis-à-vis their approaches to brownfield redevelopment.
- **Alberta** launched an examination of its contaminated sites and liability regimes, and reviewed the NRTEE’s recommendations as part of that process.
- The **CCME** reviewed its principles regarding contaminated site liability in light of the *NRTEE Brownfield Redevelopment Strategy*.
- **Ontario** announced new regulation, effective October 1, 2004, to promote the clean up of contaminated sites. The regulation sets out the conditions that property owners must meet in order to receive protection from environmental orders following site clean up.

Examples of change since release of NRTEE Strategy (cont'd)

Private sector:

- The **Canadian Brownfields Network (CBN)** was established (February/March 2004)
 - The CBN is a national advocacy network for brownfield practitioners and stakeholders who want to affect change regarding brownfields redevelopment in Canada.

www.canadianbrownfieldsnetwork.ca

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Strategy for Canada***

To download a copy of the strategy, visit

www.nrtee-trnee.ca