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Developer brings life to old factory

Dalib Multani has spent years converting Barber Ellis property into homes

By MICHAEL-ALLAN MARION
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Brantford

Dalib Multani knows intimately all the pitfalls confronting a developer who dreams of breathing new economic life into a defunct factory.

City council, planning staff and the neighbours have watched in amazement as the owner of Multani Custom Homes Ltd. has struggled over the past three years to transform the dormant Barber Ellis property between Grey and Marlborough streets into a \$6-million complex of new homes.

Many have aided or watched his

progress in constructing residential units in the hull of a factory, and collections of semi-detached homes on earth that once supported old sheds, industrial fences, factory yards and neighbouring aging houses.

In the process, Multani has become the first entrepreneur to rehabilitate one of Brantford's 15 designated brownfield sites without a dime of public money.

Multani, originally from Punjab, India, had been working in the home building industry around

Brantford since the early 1980s. He has also become a pillar in the local Sikh community.

"The neighbours want to see this project done. The council, the staff and the residents, we have been working together."

DALIB MULTANI

His reclamation odyssey began in 1989 when he and two other partners bought the Barber Ellis property that once supported a paper products enterprise and later envelope production.

The threesome paid for the standard environmental assessments that have to be done on such sites, and undertook what turned out to be a limited required cleanup. Then they sold the

property to another developer from Toronto.

But the deal went on the rocks. The second developer defaulted on a first mortgage held by Multani and his associates. When they went to foreclose to recoup some of their money, they also discovered the bankrupt company was \$175,000 in arrears in property taxes to the city.

They had run into two pitfalls all too common to brownfields: property falls into the hands of undercapitalized and badly managed enterprises, which in turn renege on taxes.

The site sat unoccupied until 1999, when Multani took it over as the sole owner of the firm, paid the taxes owing, and then began working on a plan to redevelop the property himself.

His first idea was to turn the main building into 88 units, but then discovered it wasn't feasible.

So he forged a second plan to develop the 2.4-acre site in stages as a complex with units in the main building and clusters of semi-detached homes around it.

He would shorten the main building on the west end and build 44 units. He would also sever the property into lots for a string of semi-detached homes to the west of the building along the north side of Marlborough, and on the east side.

Multani found he had no trouble acquiring the backing of city planning staff and council, as each stage was approved in a series of discussions and meetings.

"The city has been very co-operative," he said. "Mayor Chris Friel and

councillors have given me lots of support."

His main hurdle was CN Rail, which he found difficult to work with in handling vibration problems from a rail line that runs past the west side of the property.

After months of delays in lining up tests and waiting for results, Multani built a noise-break berm along the stretch of track.

Many semi-detached units are up, while construction is moving ahead at full speed on the main building with occupancy scheduled for spring 2003. Depending on size, units will sell from between \$100,000 and \$130,000.

Multani recently held an open house where former Barber Ellis employees could remember "I used to work right here,"

while they walked through brisk new housing units going up in the same spot.

The developer is also grateful to the neighbours for accepting the project and helping keep watch over the place in the early stages when the building wasn't secure.

They called to alert him whenever there were break-ins in the early days.

"The neighbours want to see this project done," said Multani. "The council, the staff and the residents, we have been working together."

Coun. Richard Carpenter, whose Ward 4 contains the development, has kept tabs on the project and gone to bat for Multani whenever he could.

"It's wonderful what (Multani) is doing," said Carpenter. "He's struggled and persevered. Area residents are happy this site has been cleaned up. I think he deserves an award."

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COUN.
RICHARD CARPENTER



Dalib Multani is converting a former factory site between Grey and Marlborough streets into a complex of new homes. Brian Thompson, Expositor Staff

City losing its fear over brownfield sites

But cleanup costs remain a concern for councillors

Continued from FRONT PAGE

Small Engines site at 221 Greenwich St.: \$344,000 from an unanticipated 2001 budget surplus toward the brownfield reserve; and a \$1.5-million package over five years toward the reserve.

Council is also setting up a new brownfield community advisory committee with wider representation to work on specific rehabilitation projects.

What has allowed council to escape the political fear? First, some factors in the equation have changed.

Although the province has been a reluctant partner in brownfield cleanup, it has passed Bill 56, which has regulations giving municipalities protection from environmental liability in the first five years after taking over a contaminated industrial site.

Many of the regulations came into effect on Dec. 1 and others will be instituted in the new year.

LOWERS RISK

Marguerite Ceschi-Smith, council's leader for brownfield remediation and a member of several committees in provincial and national lobbying organizations, says that new protection is less than local politicians are seeking, but it helps lower the risk significantly.

The city and the Association of Municipalities of Ontario earlier lobbied for protection to last as long as it took to completely remediate and redevelop a designated site. However, Ceschi-Smith acknowledges that five years' protection will at least allow municipalities to step onto some sites and clean out the worst contamination with less fear.

Coun. Richard Carpenter points to a series of contamination problems and unanticipated bills stemming from past industrial sites, which he says kept driving home the need for council to devote more resources toward brownfield cleanup.

He says the need was first high-

lighted by community concern over the spread of a trichloroethylene and vinyl chloride plume from the former KeepRite air-conditioning factory on Elgin Street.

Although it's technically not a brownfield site, the problem raised the spectre of contamination ghosts from old industrial operations.

COSTS ESCALATING

Then the cleanup bill for the former Bay State Abrasives site on Pearl Street was supposed to come in at \$156,000, but escalated to \$186,000 after a crew discovered a contamination plume near the end of the project.

And the cleanup cost at 221 Greenwich keeps escalating from an original estimate of \$50,000 to \$225,000 and beyond as new problems are discovered.

Carpenter says the incidents have sensitized the community and helped persuade councillors something meaningful had to be done or they would risk brownfields becoming a full-blown issue in the 2003 municipal election.

After nine months of meetings and research, a cross-Canada group headed by Ceschi-Smith has drawn up a national brownfields strategy, which will be presented to the federal government in early February. It calls for a partnership between the three levels of government and new tools and programs for municipalities.

Ceschi-Smith is grateful council appears to have overcome the fear factor, but she says she'll keep her guard up for some time yet. She's worried some of her colleagues might lose their nerve as the costs of some projects start coming in.

She wonders, for instance, what they will think of the \$6 million to \$11 million estimate for the Greenwich-Mohawk rehabilitation of three sites.

"It will have to be handled carefully, a bit at a time," she says. "Council will also have to be shown that the city will get its money back out of the investment."

A LOOK AT THE SITES

Here's a look at how the city is faring at each of its 15 designated brownfield sites:

► Greenwich-Mohawk: A team of

consultants and citizen focus groups are forging a redevelopment plan for three properties — Sternson at 22 Mohawk St., the Cockshutt complex at 66 Mohawk and the Massey-Harris site at 347 Greenwich St. A preferred option will be presented at a community meeting at the end of January.

► Northern Globe: All buildings at the Sydenham Street property have been demolished, the site secured, environmental tests are complete, and the property is ready for a tax sale in consideration of \$700,000 arrears plus \$600,000 in cleanup costs.

► Bay State Abrasives on Pearl Street: Ready for redevelopment as a community park. The parks and recreation department is working on a proposal to be ready in the spring.

► Harding Carpets on Morrell Street: Ready for a tax sale because of more than \$2.6 million in tax arrears. All buildings are still standing.

► 221 and 223 Greenwich St.: Both owned by the city as part of the BSAR project. Costs continue to mount beyond \$225,000, while city staff and a cleanup crew assess a fuel contamination plume and recently discovered polycyclic aromatic hydrocarbons.

► 23 Mohawk St.: The half-acre site known as "old Don's garage" was bought by the city for the Newport Extension part of the BSAR. The property has been cleaned up.

► Carbu-Clinic: The city has cleaned up the tiny Newport Street property since purchasing it for the BSAR.

► Penman: All structures have been demolished at the Grand River Avenue site. The property is vacant. Private development is more likely because the site is still in private hands with no tax arrears.

► Solaray: The five-acre Grand River Avenue property is vacant and still in private hands.

► Crown Electric: Eligible for a tax sale because of \$500,000 in arrears. The province has owned the site on Sydenham for eight years but has done nothing with it.

► Work Wear on Wellington Street: The property is vacant. No plans are in the works.

► Barber Ellis: The only brownfield on the list that so far is being completely rehabilitated by a private developer. Council has approved a series of projects involving clusters of semi-detached units and a gutting and reworking of a main building on Marlborough Street.

Politicians grow less fearful of brownfields

By MICHAEL-ALLAN MARION
EXPOSITOR STAFF
Brantford

As they look back on the past year, one of the lasting achievements city councillors will be able to claim is their ability to overcome a political fear of brownfields and begin an earnest rehabilitation.

ANALYSIS

In an initial series that highlighted a year-long examination by The Expositor of Brantford's brownfield problems, it was said that council and the provincial and federal governments were locked in a political Catch-22 that kept them unable or unwilling to tackle the task of cleaning up 15 contaminated sites in the old part of the city.

Council's fear stemmed from a paralyzing combination of factors: widespread contamination on many sites, the city's potential to be saddled with environmental liability if it took over the properties, a collective cleanup bill in the tens of millions of dollars, and a perception that the other two governments won't help.

Reinforcing the early dilemma was a dangerous fire at the Northern Globe site, handing the city a \$600,000 bill to demolish all buildings and conduct environmental studies that determined the total cleanup bill could run another \$500,000 to \$1.5 million.

Other studies brought in even higher potential bills, such as an estimated cost of \$2 million to \$5 million to clean up the old Cockshutt complex at 66 Mohawk St.

Another strong factor was



the provincial government's demonstration over the past year that it doesn't really want to play a major role, and it would rather not possess any of the sites or shell out the kind of money required to fix their problems.

The province showed that when the Ministry of Consumer and Business Services unwittingly assumed Crown ownership of 66 Mohawk in October only to discover what most people in Brantford knew, that it was one of the city's most contaminated sites.

MILLIONS ALLOCATED

Once informed, the ministry used a legal manoeuvre to slough off the province's ownership in less than 48 hours, and put the property back in the hands of the insolvent corporate owner, once run by an absentee entrepreneur.

The Ministry of the Environment also continues to wrangle with the city over who should pay for the removal of 12,000 scrap tires still sitting at 66 Mohawk five years after a tire fire.

In the closing days of 2002, city council has shown it's not so fearful anymore.

After several, sometimes heated, debates, council has allocated a total \$2.07 million in various commitments toward brownfield cleanup: a bill of \$225,000 and mounting in the remediation of the former Brant

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tersection a few miles west of Hagersville, then entered the intersection where his pickup was struck broadside by an eastbound Chevrolet Lumina van driven by Bruce Veltri, 43, of Simcoe.

The force of the collision threw passenger Lindsey Smith out of the van because she was not wearing a

head injuries, but was later released.

The driver of the pickup was treated for minor injuries at Hagersville hospital and released.

Joining in the rescue efforts were OPP officers, Six Nations police, Haldimand County volunteer firefighters and Haldimand paramedics. The investigation is continuing.



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