1202 - 19th Street West – Remediation and Future Development Considerations

ISSUE

The site at 1202 – 19th Street West was obtained by the City of Saskatoon in 2001, due to unpaid taxes and has remained vacant for over two decades due to environmental considerations that limit its development potential. To support remediation and potential development of the property, Administration has applied for funding under the Province of Saskatchewan's – Ministry of Environment's, Impacted Sites Fund. City Council approval of the Contribution Agreement is required. Pending the outcome of the funding application, additional environmental investigations and potential remediation, City Council approval to explore future development considerations is also being requested.

RECOMMENDATION

That City Council approve the Administration's recommendation:

- 1. To authorize the Mayor and City Clerk to execute the Contribution Agreement under the Corporate Seal if the application for the Province of Saskatchewan's Ministry of Environment's Impacted Sites Fund is successful; and
- 2. To explore options for the development of 1202 19th Street West that would support individuals experiencing housing insecurity and help address other community social considerations.

BACKGROUND

The site at 1202 – 19th Street West (hereafter referred to as "1202") had a tax lien placed on it in 1993. In 2000, the Provincial Mediation Board issued formal consent for the City of Saskatoon (City) to acquire title to 1202 without conditions attached. Subsequently, in 2001 the title to 1202 was transferred to the City as part of the tax enforcement process. 1202 remains listed on the City's tax enforcement liability books, with a current outstanding balance of \$94,800.

The most recent environmental investigations for 1202 were conducted in 2002 and identified hydrocarbon and metal impacts. To the east of 1202 are vacant sites owned by Imperial Oil Limited, as illustrated (see Appendix 1).

In 2014, the City's Planning and Development department completed <u>The Junction</u> <u>Improvement Strategy</u> (Junction Strategy). The Junction Strategy aims to link area redevelopment projects through recommended public realm improvements, identify future uses for vacant and contaminated lands, building investor confidence and outlining specific improvement actions within the study area. Based on stakeholder input, the Junction Strategy highlights 1202 as a potential demonstration site for renewable energy, land reclamation and a community focal point. Between 2018 to 2023, CHEP Good Food Inc. operated their askiy project, an urban agriculture internship program, which utilized temporary raised-bed containers for gardening. In 2024, CHEP Good Food Inc. moved the askiy program to the previous Riversdale Bowling Club on Avenue H. A portion of 1202 continues to be used by the Rotary Community Garden for community based raised-bed container gardening.

1202 frequently experiences encampments and illegal dumping, resulting in annual property maintenance costs incurred by the City.

The <u>Ministry of Environment's (Ministry) Impacted Sites Fund</u> allows municipalities to apply for funding to clean up abandoned, environmentally impacted sites. The Fund provides financial support to municipal governments to remediate sites, enabling future economic or social development opportunities.

DISCUSSION/ANALYSIS

Impacted Sites Fund Application

Given the environmental status of 1202, which limits future development of the site, Administration is actively pursuing an Impacted Sites Fund application through the Ministry.

The application process for the Impacted Sites Fund necessitates the submission of both technical and non-technical information. The technical information is typically derived from an Environmental Site Assessment of the contaminated site. Utilizing the National Classification System for Contaminated Sites (NCSCS), this data is used to calculate a NCSCS score that indicates the current or potential negative impact on human health and the environment. Funding is allocated based off the NCSCS score with a higher score resulting in greater funding. Applicants can also apply for funding assistance for the costs associated with conducting an Environmental Site Assessment.

The non-technical information required in the application includes details on the proposed clean up methods and the anticipated social, economic and strategic benefits the municipality or municipal partnership aims to achieve through the remediation of the site.

Policy Review

In conjunction with the West Industrial Local Area Plan, 1202 was rezoned in 2008 from IH – Heavy Industrial District to MX1 – Mixed Use District 1.

At that time, a Holding Symbol 'H' was applied to 1202 and adjacent properties to acknowledge the potential contamination and the need for appropriate remediation prior to redevelopment.

Section J-5.1(8)(b) of Bylaw No. 9700, the Official Community Plan, 2020, outlines the criteria for the removal of the Holding Symbol, including:

"(iii) Environmental Concerns – the need to minimize or remediate environmental impacts or conditions in relation to air, water, soil, or noise pollution." Once environmental concerns have been adequately addressed, an application to amend <u>Bylaw No. 9990, Zoning Bylaw, 2024</u> is required to remove the Holding Symbol. Upon removal, the zoning regulations for the underlying zoning district will apply. Other technical requirements related to development, such as rezoning, subdivision, development and building permits will be reviewed through standard approval processes.

Future Site Use/Redevelopment

Historical development inquiries regarding 1202 often lose momentum due to the outdated environmental investigations, which would need to be updated to ascertain the potential remediation costs. Administration is aware of community organizations interested in redeveloping the site to support individuals experiencing housing insecurity and address other community social considerations. The location of 1202 is central to a variety of community services and is seen by some as an ideal location for a social development project. By strategically working to re-purpose this site, the City aims to fill critical service gaps that have been identified.

FINANCIAL IMPLICATIONS

The amount of funding that will be approved through the Impacted Sites Fund is currently unknown. A Phase II Environmental Site Assessment and Corrective Action Plan investigation/report typically costs between \$50,000 and \$75,000. Remediation costs depend on the quantity of impacted soils that need to be removed from the site and the appropriate disposal location, such as the City Landfill or a licensed soil facility. Providing the Impacted Sites funding application is successful and of a suitable amount, Administration would proceed with the environmental investigations and remedial work.

The Planning and Development Department has minimal funding available through the LAP Implementation capital budget to assist with environmental investigations and potential remediation of 1202. With funding being allocated based off the NCSCS score, Administration would report back if additional funding is required to facilitate the remediation of the City-owned site.

Administration will continue to work towards completing the necessary environmental investigations and remediation to enable the development of 1202 from an environmental perspective. It is understood the adjacent landowners to the east (Imperial Oil Limited) are exploring remediation of their properties as well, presenting a potential opportunity for the City to collaborate on such efforts, potentially reducing costs and accelerating remediation timelines. Administration will explore options for collaboration with the adjacent properties.

Any future sale, lease or development partnership involving 1202 must account for the \$94,800 that remains on the City's tax enforcement liability records.

OTHER IMPLICATIONS

There are no other implications or considerations emerging from this report.

NEXT STEPS

If funding from the Impacted Sites Fund is approved, Administration will collaborate with the Ministry to complete the necessary environmental investigations and remedial work required for redevelopment of 1202. A report back to Committee and City Council will be required to set up a capital project if the application is successful.

Administration will explore development options and potential partnerships for 1202, with a focus on creating a built form that supports individuals experiencing housing insecurity and addresses other community and social considerations.

APPENDICES

1. Visual of 1202 – 19th Street West and Area

REPORT APPROVAL

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