Growth Plan to Half a Million – Brownfield Renewal Strategy

Recommendation

That the Standing Policy on Environment, Utilities and Corporate Services recommend to City Council:

That the proposed change in scope to Capital Project 2541 – Growth Plan to Half a Million be approved to facilitate use of an anticipated FCM Green Municipal Fund grant on a citywide Brownfield Renewal Strategy as described in this report.

Topic and Purpose

The purpose of this report is to update the scope and budget of the Growth Plan to Half a Million Capital Project to enable the City of Saskatoon (City) to leverage a grant opportunity that supports the plan, in principle.

Report Highlights

- 1. Funds (\$150,000) in Capital Project 2541 Growth Plan to Half a Million have been allocated to finding solutions for financial and other barriers linked to contamination or perception of contamination along the planned BRT routes.
- 2. The divisions of Environmental and Corporate Initiatives and Planning and Development are partnering to carry out this initiative.
- 3. Based on the requirements of the Public Transit Infrastructure Fund (PTIF) which supports Growth Plan implementation, an environmental consultant will be hired to carry out some of the work related to the environmental assessments and review of financial barriers.
- 4. The City will seek to leverage the Growth Plan funds already allocated to obtain additional funding through the Federation of Canadian Municipalities Green Municipal Fund, estimated to be approximately \$90,000.
- 5. Administration has developed a more detailed scope of work specific to addressing potential barriers to Corridor development along BRT routes. As an update to the original scope of the Growth Plan to Half a Million Capital Project, the first phase of the Brownfield Renewal Strategy will include broadening the City's knowledge of applicable brownfield strategies and conducting environmental assessments of key Corridor locations. This information will eventually be expanded into a Brownfield Renewal Strategy that applies citywide.

Strategic Goals

The Brownfield Renewal Strategy is a multifaceted project that has touch points on several strategic goals. The successful implementation of the project will support the following key goals:

• The long-term strategy of increasing revenue sources under the Strategic Goal of Asset and Financial Sustainability by increasing tax revenue as a result of increased property assessment valuation following the redevelopment and improvement of brownfields;

- The long-term strategy of addressing soil quality issues on City-owned properties under the Strategic Goal of Environmental Leadership by promoting and incentivizing the remediation and/or active risk management of contaminated brownfields; and,
- The long-term strategy of increasing and encouraging infill development and corridors under the Strategic Goal of Sustainable Growth.

Background

The Growth Plan was approved in principle by City Council on April 25, 2016. The Growth Plan identified Corridor Growth and Infill Development as key themes to support successful City growth. Corridor Growth based on Transit-Oriented Development principles is, in turn, key to achieving a successful BRT system. The Council Report "Comparing Infill and Greenfield Development – Scope of Work" that was approved on December 12, 2016, identified several impediments to infill redevelopment including soil contamination and clear incentives.

The Soils Handling Strategy Project Results Report, approved by City Council on January 23, 2017, outlined that the presence or perception of contamination on many of these corridor and infill sites acts as a current impediment to growth and development inside the City. This report outlined that the creation of a Brownfield Renewal Strategy would enable and facilitate infill development to achieve the goals of the Growth Plan to Half a Million. The first step to achieving the goals of the Brownfield Renewal Strategy was to join the Federation of Canadian Municipalities' Leadership in Brownfield Renewal (LiBRe) program, as approved within the aforementioned report.

The City of Saskatoon currently has the Redeveloping Brownfields in Saskatoon Guidebook available on the City website. This document was developed in order to facilitate the Municipal Enterprise Zone brownfield incentive program. The content of the guidebook references incentive programs and environmental regulations that no longer exist. Updates to this document are necessary and will be included as part of this project.

Report

Many of the strategic corridor locations, such as those along the proposed Red BRT lines, as well as potential future transit station locations, contain brownfield sites in the form of actual or potentially impacted properties, vacant sites, and underutilized parcels of land. The Brownfield Renewal Strategy has been included within the Growth Plan's Ten-year Action Plan. Funds (\$150,000) in Capital Project 2541 – Growth Plan to Half a Million have been allocated to reviewing financial and other barriers linked to contamination or perception of contamination along the planned transit routes.

Scope of Work

The divisions of Environmental and Corporate Initiatives and Planning and Development are partnering to carry out the work required to develop a strategy to overcome environmental and financial barriers to the redevelopment of properties along planned transit corridors. The Brownfield Renewal Strategy project will be composed of three key items that will support and benefit the Corridor Growth Program.

- 1. A comprehensive inventory of brownfield sites and their interaction with the Growth Plan. Phase 1 of the Corridor Planning Program will consist of a review of land use, intensification opportunities and streetscape design of the proposed BRT Red Line. The brownfield inventory will assist in the review deliberations and may influence the outcomes of further development phases.
- 2. A "state of the industry" report outlining and describing various brownfield programs from across the country and their applicability to the Saskatoon and Saskatchewan setting. Reviewing financial and environmental barriers is a component of the Corridor Growth Program. Lessons learned and insight from across the country regarding brownfield revitalization will provide information on how to overcome these barriers, as well as be the basis for the creation of a City incentive program.
- 3. Environmental Site Assessments (ESA) at targeted corridor redevelopment and/or potential transit station locations, including subsequent contamination management plans. Phase 2 of the Corridor Planning Program will consist of detailed zoning and development potential work. The results and information created out of the ESA investigations will directly influence how corridor properties are zoned and redeveloped. The management of contaminations and its risk will play a key role in ensuring that the corridors are kept safe to the public.

Role of the Environmental Consultant

An external environmental consultant will be required to carry out the identified scope of work, as well as to meet project team prerequisites to qualify for Green Municipal Funding. The consultant will be sought for skills, efficiencies, and competencies in regard to brownfield redevelopment experience, inventory compilation and risk assessment, familiarity to brownfield programs and their applicability to Saskatchewan, and execution of environmental site assessments. They will also act as a Qualified Person for any regulatory obligations. Attachment 1 outlines the factors that were considered when deciding the need for an external consultant.

The consultant will be procured through a request for proposal (RFP) process. Due to funding eligibility requirements, the RFP will require the Province's review and approval prior to public release.

Brownfield Renewal Strategy

The City of Saskatoon has committed to FCM's Leadership in Brownfield Renewal (LiBRe) Program. As a participant and contributor, the City has committed to working toward accomplishing the Seven Step LiBRe framework. The scope of work outlined has a priority to facilitate the goals of the Corridor Growth Initiative. Through program

implementation and lessons learned, it is expected that the programs and plans developed through the Brownfield Renewal Strategy will be transferable and be applied more broadly across the whole City. This would include using the information gathered to update the current City of Saskatoon Redeveloping Brownfields Guidebook. The work proposed will achieve the first four steps of the LiBRe program. Operational work on the final product will achieve the remaining three steps. Further information and deliverable details of the Strategy are included in Attachment 2.

FCM Green Municipal Fund

The Administration will submit an application for Green Municipal Fund support for this project. Based on the principal amount, the potential rebate of \$90,000 would be available for Capital Project 2541 – Growth Plan to Half a Million. The Administration is recommending an amendment to the budget and description for this capital project in order to make use of rebate funds to support the expansion of the Brownfield Renewal Strategy from the Corridor Growth initiative to apply city wide. The expanded work will include: the development of a framework for a brownfield redevelopment incentive program; a contaminated sites management guidance document to help Saskatoon property owners navigate the impacted sites process; and an update to the Redeveloping Brownfields in Saskatoon Guidebook.

Options to the Recommendation

An option to the recommendation would be to not hire an external consultant. This would limit the scope of the project and eliminate our ability to apply for Green Municipal Funding.

Public and/or Stakeholder Involvement

Public and/or stakeholder engagement regarding brownfield renewal and barriers to development will be addressed in conjunction with the Corridor Growth Program.

Communication Plan

Any communication plans required to support the project will be aligned with Corridor Growth communications initiatives and the objectives and approach outlined in the Growth Plan Engagement Handbook.

Financial Implications

The updated total budget for the project is \$240,000. Brownfield Renewal Strategy initiatives in support of Corridor Growth will comprise \$150,000 of this amount, funded from Capital Project 2541 – Growth Plan to Half a Million, which is partially funded through PTIF. Sufficient funds are available in the capital project budget and have been budgeted for this purpose. The remainder of the total (\$90,000) represents the potential grant amount through the FCM Green Municipal Fund, assuming all expenditures are eligible.

Federation of Canadian Municipalities rules allow federal funds (in this case, PTIF) to be used to leverage GMF funding. Also, since GMF funds are considered as municipal

funds, they do not affect the City's eligibility for PTIF funds which limit the federal contribution to a maximum of 50% of the total project value.

Environmental Implications

The project will promote and facilitate responsible, efficient, and sustainable land use by revitalizing and redeveloping otherwise underutilized or impacted properties within strategic infill and corridor growth areas. Positive impacts are anticipated to include:

- Reduction and/or active risk management of contamination within city public and private lands;
- Increased transit and active transportation focused development along high traffic and populated areas; and,
- Maximizing infill areas and reducing outwards greenfield development.

Other Considerations/Implications

There are no policy, privacy or CPTED implications or considerations.

Due Date for Follow-up and/or Project Completion

A request to award consulting services report is anticipated to be included on the August 15, 2017, Standing Policy Committee on Environment, Utilities and Corporate Services agenda.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachments

- 1. Factors in Determining External Contracted Services
- 2. Brownfield Renewal Strategy Details

Report Approval

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