

June 7, 2016

To: Members,
Finance and Administration Committee

Re: Support for Green Municipal Fund Community Brownfield Action Plan Grant

RECOMMENDATION

1. That subject to the 2017 capital budget deliberations, the City of Regina prepare an Underutilized Land Study in preparation of an Underutilized Land Improvement Strategy that includes sustainability goals, specific targets, actions and an implementation and monitor strategy.
2. That subject to the 2017 capital budget deliberations, the City of Regina commits \$115,000 and an in-kind contribution of a minimum of \$11,500 towards the costs of this initiative.
3. That City Council direct Administration to complete and submit an application under the Federation of Canadian Municipalities Green Municipal Fund program for a Brownfield Community Action Plan grant to assist in the funding of an Underutilized Land Study and Underutilized Land Improvement Strategy for the City of Regina.
4. That the Executive Director of City Planning and Development or their designate be authorized to negotiate and approve the Green Municipal Fund Grant Agreement between the City of Regina and the Federation of Canadian Municipalities.
5. That this report be forwarded to the June 27, 2016 City Council meeting for approval.

CONCLUSION

Administration requires a Council resolution to endorse an application under the Federation of Canadian Municipalities (FCM) Green Municipal Fund (GMF) program for a Brownfield Community Action Plan grant. The grant is sought to assist with the costs of completing an Underutilized Land Study (the Study) that identifies potential regulatory, environmental and economic barriers to private sector redevelopment of various types of underutilized sites throughout the city, including former school sites and brownfield sites. Once completed, Administration will present the recommendations from the Study to City Council and seek direction on the creation of an Underutilized Land Improvement Strategy (the Strategy) containing specific actions the City of Regina (City) can undertake to improve the viability of underutilized sites.

Under the GMF program, the City is eligible for a grant covering up to 50 per cent of the consultant costs required to develop both the Study and the Strategy, with the maximum eligible in-kind contributions (i.e. internal staff time and resources) limited to 10 per cent of all capital costs.

While Administration will not seek direction from Council on the establishment of the Strategy until the Study has been completed, the professional costs associated with preparing the Study cannot be funded by FCM retroactively. Therefore, Administration is seeking authorization to submit the GMF application at this time to maximize its eligible costs under the program. Under the GMF program, all funding is paid out following the adoption of the Strategy by City Council. This means that should the City decide not to proceed with the Strategy, no GMF funding will be received and the full cost of preparing the Study would be endured by the City.

Through project scoping and planning, Administration has estimated that \$115,000 is required in capital costs to develop the Study and that the in-kind costs associated with Administration's day-to-day management of the project will exceed 10 per cent or \$11,500. Preparation of the Strategy is anticipated to be completed by Administration in-house. Based on this, the City is eligible for a grant up to \$69,000 under the GMF program.

	Cost	Maximum GMF Grant
Capital Costs (i.e. Consultant)	\$115,000	\$57,500
10 % In-Kind Contribution	\$11,500	\$11,500
Total	\$126,500	\$69,000

The FCM has advised Administration that the review of GMF applications takes approximately four to six months. To allow adequate time for FCM to make a decision before for the 2017 capital budget process, Administration is seeking endorsement of the GMF application now. The recommended resolution includes the caveat that the decision to commit to the Strategy is subject to the 2017 budget deliberations, enabling the City to proceed with the GMF application without prejudicing the budget process. If adopted, the recommendations contained within this report will not oblige the City to proceed with the Study or Strategy.

BACKGROUND

Design Regina, the Official Community Plan Bylaw No. 2013-48 (OCP) states that 30 per cent of the City's future growth should be directed to existing urban areas to ensure long-term sustainable growth and enhance the urban form. Furthermore, the OCP directs at least 10,000 new residents to the City Centre.

In response to the OCP's high-level goals and objectives, Administration has developed an Intensification Work Plan comprised of critical projects that will impact the viability of infill development. Through this process, Administration has identified the need for a Strategy comprised of the following four components to address different scales and levels of complexity of infill/intensification opportunities:

- Brownfields (i.e. potentially contaminated sites)
- Bluefields (i.e. former institutional lands)
- Vacant Lots
- Surface Parking Lots

Administration notes that on November 12, 2014, Executive Committee received Report CR13-157 advising that a Brownfield Redevelopment Strategy has been identified as a deliverable under the Intensification Work Plan. This report provides recommendations that work towards achieving this direction.

Green Municipal Fund

The GMF was established by the FCM with funding from the Federal Government to support municipalities through funding and knowledge for municipal environmental projects. The GMF provides funding to three types of municipal environmental initiatives: plans, studies and projects. The GMF also targets five sectors of municipal activity: brownfields, energy, transportation, waste and water.

The City has received funding through the GMF for seven different plans and feasibility studies since 2001. Most recently, the City received a \$350,000 grant for the development of the OCP under the GMF Sustainable Community Plan Program.

Under the Community Brownfield Action Plan Program, municipalities can apply for a grant up to 50 per cent of the eligible costs required to develop the plan or strategy, up to a maximum of \$175,000. As described on FCM's website, the Community Brownfield Action Plan "identifies priority redevelopment zones and opportunities including a framework of incentive programs and municipal actions to promote the remediation, rehabilitation and adaptive reuse and overall improvement of underused properties within a community". The FCM have confirmed that the proposed Strategy fits within this program and is eligible for funding.

The application review process takes between four to six months and includes an independent peer review where the project is scored against a series of environmental, social and economic criteria. There is no intake deadline for this type of GMF application and the FCM's Executive Committee is the final approval authority.

DISCUSSION

Through a detailed background analysis of best municipal practices and engagement of key stakeholders, the Study will identify regulatory, environmental and economic barriers to private sector investment in these underutilized properties and provide specific recommendations that the City could advance to improve the viability of these sites.

By completing the Study, the City will have the data, framework and community buy-in necessary to prepare an effective Strategy to encourage new private sector investment in underutilized properties, which in turn would generate the following benefits for the City:

Economic Advantages:

- Increase tax assessment and revenues for the City;
- Improve Regina's competitive advantage in marketing itself to new investment; and
- Make efficient use of existing infrastructure.

Environmental Advantages:

- Remove actual and potential sources of contaminated land within the City;
- Increase opportunities for individuals to live, work and play within established urban areas, reducing automobile dependency; and
- Reduces outward urban expansion onto agricultural lands by encouraging the redevelopment of underused and vacant sites.

Social Advantages:

- New investment in blighted, vacant or contaminated properties can be the catalyst for renewed pride in a neighbourhood;
- Improve public safety by reducing the number of vacant lots thus improving natural surveillance of streets and alleyways (Crime Prevention Through Environmental Design);
- Encourage new residential development within established neighbourhoods which in turn ensures a sufficient population exists to support the local services and amenities (E.g. schools, grocery stores, etc.) required to form a complete neighbourhood; and,
- Opportunity for meaningful engagement with community stakeholders.

Through project scoping and planning, Administration has estimated that the Study requires a capital budget of \$115,000. The majority of this amount is required to retain a qualified consultant to undertake the detailed stakeholder consultation and analysis necessary to prepare specific recommendations on what the City can do to improve the viability of underutilized sites. Preparation of the Strategy is anticipated to be completed in-house by Administration.

Completion of the Study will not have an impact on the City's operations budget. However, for the purpose of the GMF application, it has been estimated that the staff costs associated with planning, managing and reporting of the Study will exceed the GMF's maximum eligible in-kind contribution of 10 per cent of all eligible costs.

As the City's capital budget will not be finalized until Q4 2016, the wording of the recommendation includes a caveat that Council's commitment to the funding of the Study will be subject to 2017 budget deliberations. Administration has consulted with FCM and confirmed that the recommended City Council resolution satisfies the GMF application requirement.

If the recommended motion is adopted, Administration will finalize and submit the GMF application. Based on the standard GMF review timeframe of four to six months, it is anticipated that Administration will be notified of FCM's decision in time to inform the 2017 capital budget.

RECOMMENDATION IMPLICATIONS

Financial Implications

Through project scoping and planning, Administration has estimated that the Study requires a capital budget of \$115,000. FCM's approval of the GMF application would reduce the City's capital budget requirement by 50 per cent up to \$57,500. In addition, under the GMF program the City is eligible for up to \$11,500 for the City's in-kind contribution to the Study. Based on the standard GMF review timeframe of four to six months, it is anticipated that Administration will be notified of FCM's decision in time to inform the 2017 capital budget. City Administration has prepared a business case for the Study which will be considered through the capital budget deliberation process.

If adopted, the recommendations of this report do not oblige the City to commit funds from the 2017 capital budget to the Study or to adopt the Strategy. However, any funding committed by FCM would be conditional upon the City adopting the Strategy within three years. This means that should the City not decide to proceed with a Strategy, the full cost of preparing the Study will be borne by the City.

Environmental Implications

None with respect to this report.

Policy and/or Strategic Implications

The recommendations of this report strongly align with Section 1.14 of the OCP which directs the City to work with other levels of government to secure funding for both capital and operating needs of the City.

The creation of the Study is strongly aligned with the visions, goals and the policies of the City's Strategic Plan and OCP which support renewal of the city through intensification, optimization of the City's financial capacity, redevelopment of brownfield and former institutional properties and the decrease in the number of vacant, non-taxable and underutilized lots.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

If the recommendation is supported, Administration will send a copy of the City Council resolution to the FCM as part of the GMF application.

DELEGATED AUTHORITY

The recommendations contained in this report require City Council approval.

Respectfully submitted,



Shauna Bzdel, Director
Planning Department

Respectfully submitted,



Diana Hawryluk, Executive Director
City Planning and Development