



FINANCE AND ADMINISTRATION COMMITTEE

**Tuesday, March 3, 2015
4:00 PM**

Henry Baker Hall, Main Floor, City Hall



**Public Agenda
Finance and Administration Committee
Tuesday, March 3, 2015**

Approval of Public Agenda

Minutes of the meeting held on January 6, 2015

Administration Reports

FA15-2 Lease of a Portion of the SW 1/4 Section 13, Township 18, Range 19, W2M

Recommendation

1. That the Lease of the subject property to Regina Auto Racing Club be approved under the terms and conditions shown in the body of this report;
2. That the Administration be authorized to finalize the terms and conditions of the lease documents;
3. That the City Clerk be authorized to execute the Lease Agreement documents as prepared by the City Solicitor; and
4. That this report be forwarded to City Council March 23, 2015 for consideration after the public notice has been advertised.

FA15-3 Support for Green Municipal Fund Community Brownfield Action Plan Grant

Recommendation

1. That, subject to the 2016 Capital Budget deliberations, the City of Regina develops an Underutilized Land Improvement Strategy which will include sustainability goals, specific targets, actions, and an implementation and monitor strategy;
2. That, subject to the 2016 Capital Budget deliberations, the City of Regina commits \$75,000 and an in-kind contribution of a minimum of \$15,000 towards the costs of this initiative;
3. That 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 Improvement Strategy for the City of Regina;



Office of the City Clerk

4. That the Executive Director of City Planning and Development or designate be authorized to negotiate and approve the Green Municipal Fund Grant Agreement between the City of Regina and the Federation of Canadian Municipalities; and
5. That this report be forwarded to the March 23, 2015 Council Meeting.

Adjournment

AT REGINA, SASKATCHEWAN, TUESDAY, JANUARY 6, 2015

AT A MEETING OF THE FINANCE AND ADMINISTRATION
COMMITTEE
HELD IN PUBLIC SESSION

AT 4:00 PM

These are considered a draft rendering of the official minutes. Official minutes can be obtained through the Office of the City Clerk once approved.

Present: Councillor, Bob Hawkins, in the Chair
Councillor, Bryon Burnett
Councillor, Shawn Fraser
Councillor Wade Murray (via telephone)

Regrets: Councillor, Barbara Young

Also in Attendance: Committee Assistant, Ashley Thompson
Legal Counsel, Jana-Marie Odling
A/Executive Director, City Planning and Development, Diana Hawryluk
Director, Assessment and Property Taxation, Don Barr
Director, Development Services, Louise Folk
Manager of Current Planning, Fred Searle

APPOINTMENT OF CHAIRPERSON

The Secretary called the meeting to order and following nomination procedures for the position of Chairperson, Councillor Wade Murray was declared Chairperson of Finance and Administration Committee for 2015.

APPOINTMENT OF VICE-CHAIRPERSON

Following nomination procedures for the position of Vice-Chairperson, Councillor Bob Hawkins was declared Vice-Chairperson of the Finance and Administration Committee for 2015.

(Councillor Wade Murray requested that Councillor Bob Hawkins take the Chair)

APPROVAL OF PUBLIC AGENDA

Councillor Bryon Burnett moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted.

ADOPTION OF MINUTES

Councillor Shawn Fraser moved, AND IT WAS RESOLVED, that the minutes for the meeting held on December 2, 2014 be adopted, as circulated.

ADMINISTRATION REPORTS

FA15-1 Heritage Building Rehabilitation Program Application for Tax Exemption – Sherwood Department Store (portion of Viterro Office Complex) Portion of Lot 28, Block 372, Plan No. 98RA28311 2625 Victoria Avenue (2006 Albert Street)

Recommendation

1. That a tax exemption for the property known as the Sherwood Department Store, located on a portion of the property known as Lot 28, Block 372, Plan No. 98RA28311, addressed at 2625 Victoria Avenue (2006 Albert Street) be approved in an amount equal to the lesser of:
 - a) 50 per cent of eligible costs for the work described in Appendix C; or
 - b) An amount equal to the total property taxes payable for 10 years.
2. That the provision of the property tax exemption be subject to the following conditions:
 - a) Eligibility for the property tax exemption includes the requirement that the property possesses and retains its formal designation as a Municipal Heritage Property in accordance with The Heritage Property Act.
 - b) The property owner shall submit detailed written documentation of payments made for the actual costs incurred (i.e. itemized invoices and receipts) in the completion of the identified conservation work as described in Appendix C. In the event the actual costs exceed the corresponding estimates by more than 10% the property owner shall provide full particulars as to the reason(s) for any cost overrun. It is understood that the City may decline to approve any cost overrun, or portion thereof, if considered not to be reasonably or necessarily incurred for eligible work.
 - c) For an exemption in 2015, work that is completed and submitted to the Development Services Department by February 27, 2015 would be eligible for the exemption in 2015 limited to 50% of the approved costs. In subsequent years the work that is completed and submitted by December 31 each year would be eligible for an exemption the following year for up to 50% of the cost of approved work.
3. That the City Solicitor be instructed to prepare the necessary agreement and authorizing bylaw for the property tax exemption as detailed in this report.
4. That the Executive Director of City Planning & Development or designate be authorized to approve the Heritage Alteration Permit for the conservation work to be done on the character defining elements of the façade of the building in accordance with the Conservation Plan (Appendix C to this report).
5. That this report be forwarded to the January 26, 2015 meeting of City Council.

Reg Hinz and Roger Mitchell, representing Viterra, addressed the Committee.

Councillor Shawn Fraser moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.

ADJOURNMENT

Councillor Shawn Fraser moved, AND IT WAS RESOLVED, that the meeting adjourn.

The meeting adjourned at 4:35 pm.

Chairperson

Secretary

March 3, 2015

To: Members,
Finance and Administration Committee

Re: Lease of a Portion of the SW 1/4 Section 13, Township 18, Range 19, W2M

RECOMMENDATION

1. That the Lease of the subject property to Regina Auto Racing Club be approved under the terms and conditions shown in the body of this report;
2. That the Administration be authorized to finalize the terms and conditions of the lease documents;
3. That the City Clerk be authorized to execute the Lease Agreement documents as prepared by the City Solicitor; and
4. That this report be forwarded to City Council March 23, 2015 for consideration after the public notice has been advertised.

CONCLUSION

When considering the lease of any City-owned land, your Administration normally ensures that the land is made publicly available. In this case, the subject land is to be leased to Regina Auto Racing Club without any public offering, and less than market value which requires City Council approval. It is recommended that the lease be provided with a ten-year term.

BACKGROUND

The Regina Auto Racing Club has occupied the subject site since 1994. On January 1, 2005 the City of Regina entered into our most recent Lease Agreement with Regina Auto Racing Club that will end on December 31, 2014. The land area is located within the King's Park region (see attached Appendix A). Regina Auto Racing Club is asking the City of Regina to grant them a new Lease Agreement for a ten-year term at less than market value.

The subject property has never been made publicly available for lease. Subsection 101 (1) of *The Cities Act* stipulates that "No council shall delegate: (k) the sale or lease of land for less than fair market value and without a public offering". The Regina Administration Bylaw sub-clause 41(a) (iii) requires City Council approval for a lease term exceeding 10 years including renewals. Accordingly, City Council's approval of the lease is required when a lease of City-owned property exceeds a period greater than 10 years, and at less than market value.

The purpose of this report is to facilitate the lease of this property to Regina Auto Racing Club.

DISCUSSION

The Regina Auto Racing Club is a non-profit corporation that promotes the sport of safe and supervised car racing. The club has developed the site and maintains the infrastructure.

The terms and conditions of the proposed Lease Agreement are as follows:

Subject Property:	Approximately 47 acres (See Appendix A)
Tenant:	Regina Auto Racing Club
Leased Term:	Ten years commencing April 1, 2015
Net Annual Lease Rate:	\$1,000 + GST
Lease Renewal Option:	None
Other Terms:	Lessee shall be responsible for the annual property taxes Conditional upon the approval of City Council

RECOMMENDATION IMPLICATIONS

Financial Implications

If the recommendations in this report are approved, the net lease revenues will be \$1,000 annually.

The market value of the land is \$940,000 and the market lease rate is typically set at 12%, which would be \$112,800.

Environmental Implications

None associated with this report.

Policy and/or Strategic Implications

None associated with this report.

Other Implications

None associated with this report.

Accessibility Implications

None associated with this report.

COMMUNICATIONS

A copy of this report shall be provided to the Regina Auto Racing Club.

DELEGATED AUTHORITY

As provided in section 101 (1) (k) of *The Cities Act*, the lease of City-owned property without a public offering and a lease at less than market value rates cannot be delegated to the Administration and therefore requires the approval of City Council.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Don Barr", written in a cursive style.

Don Barr, Director / City Assessor
Assessment, Property Tax & Real Estate

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Diana Hawryluk", written in a cursive style.

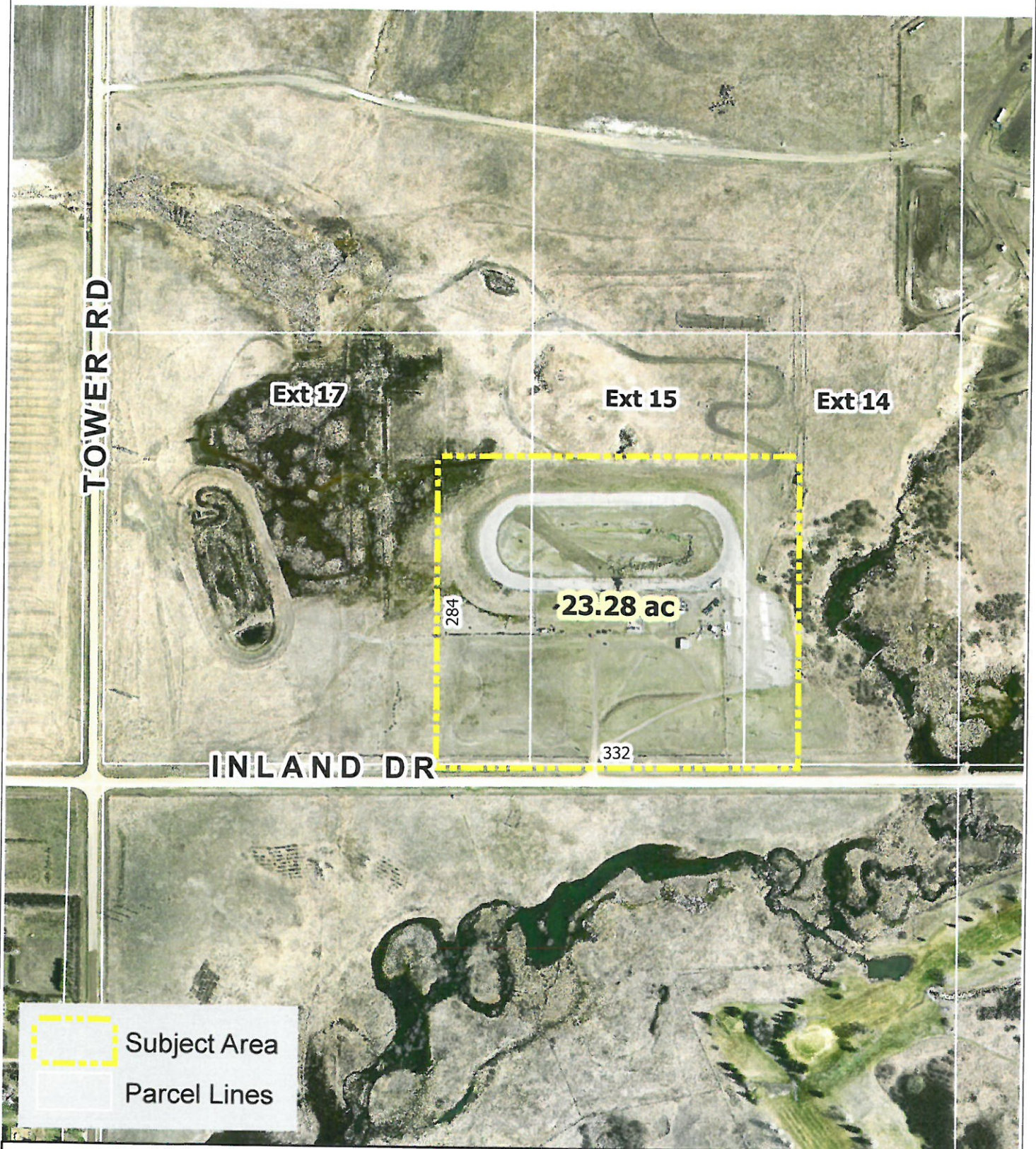
for

Diana Hawryluk, Executive Director
City Planning and Development

Report prepared by:
Chuck Maher, Manager, Real Estate

Appendix A

1:5,000



March 3, 2015

To: Members,
Finance and Administration Committee

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

RECOMMENDATION

1. That, subject to the 2016 Capital Budget deliberations, the City of Regina develops an Underutilized Land Improvement Strategy which will include sustainability goals, specific targets, actions, and an implementation and monitor strategy;
2. That, subject to the 2016 Capital Budget deliberations, the City of Regina commits \$75,000 and an in-kind contribution of a minimum of \$15,000 towards the costs of this initiative;
3. That 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 Improvement Strategy for the City of Regina;
4. That the Executive Director of City Planning and Development or designate be authorized to negotiate and approve the Green Municipal Fund Grant Agreement between the City of Regina and the Federation of Canadian Municipalities; and
5. That this report be forwarded to the March 23, 2015 Council Meeting.

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 in the funding of an Underutilized Land Improvement Strategy (the Strategy), a project being developed under *Design Regina: The Official Community Plan Bylaw No. 2013-48* (OCP) direction to establish policy and financial incentive tools to influence and promote the redevelopment various types of intensification sites, including former schools sites and brownfields throughout the city.

Under the GMF program, the City is eligible for a grant covering up to 50 per cent of the costs required to develop the Strategy, with the maximum eligible in-kind contributions (i.e. internal staff time and resources) limited to 10% per cent of all costs. Through project scoping and planning, Administration has estimated that \$150,000 is required in capital costs to develop the Strategy and that the in-kind costs associated with staff's day-to-day management of the project will exceed 10% or \$15,000. Based on this, the City is eligible for a grant up to \$82,500 under the GMF program.

	Cost	Maximum GMF Grant
Capital Costs (i.e. Consultant)	\$150,000	\$75,000
10 % In-Kind Contribution	\$15,000	\$7,500
Total	\$165,000	\$82,500

The FCM has advised City staff 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 2016 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 2016 budget deliberations, enabling the city to proceed with the GMF application without prejudicing the budget process. If adopted, the recommendations of this report will not oblige the City to proceed with the 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, the Executive Committee received Report CR13-157 advising that a Brownfield redevelopment strategy has been identified as a deliverable for 2016 under the Intensification Work Plan.

Through a detailed background analysis of best municipal practices and engagement of key stakeholders, the Strategy will identify regulatory, environmental and economic barriers to private sector investment in these underutilized properties, recommending specific policies, guidelines and financial incentives the City can move forward on to improve the viability of these sites.

By establishing the Strategy, the City will have the data, framework, community buy-in and tools necessary to proactively engage and encourage the private sector in developing underutilized properties, which in turn would generate the following economic, environmental and social benefits for the City:

Economic Advantages

- Increase tax assessment and revenues for the City.
- Improve Regina's competitive advantage in marketing the City to new investment.
- 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.
- Enable the City to tie financial incentives to the implementation of green development technologies up and above the minimum standards.
- Reduce outward urban expansion onto agricultural lands by encouraging the redevelopment or 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 and abandoned buildings.
- Encourage new residential development within established neighbourhoods which in turn ensures a sufficient population exists to support the local services and amenities (i.e. schools, grocery stores, etc.) required to form a complete neighbourhood.
- Opportunity for meaningful engagement with community stakeholders.

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 & projects) that target five sectors of municipal activity: brownfields, energy, transportation, waste and water.

The City of Regina 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, up to a maximum of \$175,000. As described on FCM's website, the Community Brownfield Action Plan is to "identifying 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 project scoping and planning, Administration has estimated that the Strategy requires a capital budget of \$150,000. The majority of this amount is required to retain a qualified consultant to undertake the detailed consultation and analysis necessary to develop the Strategy. Development of the Strategy 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 Strategy 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: 2015, the wording of the recommendation includes a caveat that Council's commitment to the funding of the Strategy will be subject to 2016 budget deliberations. Administration has consulted with FCM and confirmed that the recommended 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 2016 Capital Budget.

RECOMMENDATION IMPLICATIONS

Financial Implications

Through project scoping and planning, Administration has estimated that the Strategy requires a capital budget of \$150,000. FCM's approval of the GMF application would reduce the City's capital budget requirement by 50 per cent to \$75,000. Under the GMF program the City is eligible for an additional \$7,500 for the City's in-kind contribution to the Strategy. 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 2016 Capital Budget.

If adopted, the recommendations of this report do not oblige the City to commit funds from the 2016 Capital Budget to the Strategy.

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 Strategy is strongly aligned with the visions, goals and the policies of the City's Strategic Plan and Official Community Plan 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 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,



Shanie Leugner, A/ Director
Planning Department

Respectfully submitted,



for

Diana Hawryluk, Executive Director
City Planning and Development

Report prepared by:
Charlie Toman, Senior City Planner