Agenda – Council – September 27, 2017

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – September 19, 2017

Item No. 13 Grant Agreement for the Site Assessment and Remedial Action Plan for Park City Commons Brownfield Redevelopment

STANDING COMMITTEE RECOMMENDATION:

On September 20, 2017, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the following to Council:

1. That the City, as Joint Venturer with EdgeCorp Developments Ltd. for Park City Commons, enter into, execute and deliver a grant agreement with the Federation of Canadian Municipalities for the Site Assessment and Remedial Action Plan for Park City Commons Brownfield Redevelopment in the amount of $106,900 or 50% of eligible costs (whichever is less), and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

2. That the Chief Financial Officer be authorized to negotiate and approve the terms and conditions of the grant agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions determined necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – September 19, 2017

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 20, 2017, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On September 19, 2017, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Grant Agreement for the Site Assessment and Remedial Action Plan for Park City Commons Brownfield Redevelopment

Critical Path: Standing Policy Committee on Property and Development, Heritage and Downtown Development - Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Pittet	J. Kiernan	M. Ruta	M. Jack A/CAO

EXECUTIVE SUMMARY

In 2006, Council declared the environmentally impacted Public Works/Water and Waste site at 1500 Plessis Road surplus to the needs of the City. The Public Service marketed the property as a Joint Venture in 2014 through an Expression of Interest and received one response. The successful proponent, EdgeCorp Developments Ltd., proposed high density mixed use development on the site and a remediation plan (Park City Commons Brownfield Redevelopment).

EdgeCorp Developments Ltd., as Manager of the Joint Venture, applied to the Federation of Canadian Municipalities ("FCM") in 2016 for funding assistance to offset the cost of environmental remediation. On May 1, 2017, FCM approved a grant under the Green Municipal Fund for the lesser of $106,900 or 50% of eligible costs. The deadline imposed by the FCM for execution of the agreement is September 30, 2017 and Council approval is required to enter into the grant agreement.

RECOMMENDATIONS

1. That the City, as Joint Venturer with EdgeCorp Developments Ltd. for Park City Commons, enter into, execute and deliver a grant agreement with the Federation of Canadian Municipalities for the Site Assessment and Remedial Action Plan for Park City Commons Brownfield Redevelopment in the amount of $106,900 or 50% of eligible costs (whichever is less), and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

2. That the Chief Financial Officer be authorized to negotiate and approve the terms and conditions of the grant agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions determined necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

3. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Council approval is required to enter into the grant agreements.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no regulatory, environmental, operational or human resource implications associated with this report.

The grant agreement will provide financial assistance to the Joint Venture at Park City Commons for the site assessment and remedial action plan in the amount of $106,900 or 50% of eligible costs, whichever is less.

The grant agreement requires execution prior to September 30, 2017. Without Council approval, the grant may be jeopardized.

HISTORY/DISCUSSION

On May 24, 2006, Council declared 1500 Plessis Road/849 Ravelston Avenue (known as 1500 Plessis) as surplus to the needs of the City and available for sale in accordance with the Public Works-Water and Waste Facilities Master Plan.

On October 9, 2012, the then Standing Policy Committee on Property and Development directed the Public Service to report back on the following:

- A plan to facilitate a phased remediation and cleanup of the entire 40 acres of 1500 Plessis/849 Ravelston.
- A business case in terms of potential value of said lands upon remediation and cleanup, and the marketing and sale of the said lands, including the cost of servicing.

In November of 2012, a Phase I and II Environmental Site Assessment ("ESA") was completed for 1500 Plessis Road. As the details of the future development were unknown, the ESA was generic.

As per the October 9, 2012 direction, the Public Service reported back on the findings of the ESA and on February 19, 2013, the Standing Policy Committee on Property and Development filed the matter.

In May of 2014, the Department prepared Expression of Interest ("EOI") 580-2014 for a Joint Venture proposal on 22.9 acres at 1500 Plessis. The City received one response to EOI 580-2014 from EdgeCorp Developments Ltd. ("EdgeCorp"). EdgeCorp proposed a high density, mixed use, transit oriented development that would include the integration of a public library and multi-family recreation area.

On April 29, 2015, Council approved the Joint Venture Agreement which enabled EdgeCorp to become the Manager of the Joint Venture upon execution. The Joint Venture Agreement was executed on February 17, 2016.

In 2016, EdgeCorp applied to the FCM for funding assistance for the environmental remediation, including but not limited to land remediation and the demolition of various buildings containing hazardous materials situated on a portion of the lands at 1500 Plessis Road, shown as “Subject City Property” on Misc. Plan 14268/13 attached to this report.

On May 1, 2017, the City received a copy of a letter from the FCM addressed to EdgeCorp, advising that, on behalf of the Green Municipal Fund Council and the FCM’s Executive Committee, they wished to congratulate EdgeCorp and the City on their successful funding application. EdgeCorp and the City have been approved for a grant in the amount of up to $106,900 (later revised to the lesser of $106,900 or 50% of eligible costs).

On July 4, 2017, FCM forwarded a copy of the grant agreement for GMF #15139 site assessment and remedial action plan for Park City Commons Brownfield Redevelopment. The FCM requested that the grant agreement be signed no later than August 4, 2017. Due to Council prorogue, the FCM agreed to move the signing deadline until September 30, 2017 as Council approval is required to enter into a grant agreement.

The Public Service is recommending that the Chief Financial Officer be authorized to negotiate and approve the terms and conditions of the grant agreement and any ancillary agreements in accordance with this report and such other terms and conditions determined necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

FINANCIAL IMPACT

Financial Impact Statement

Date: July 31, 2017

Project Name:

First Year of Program **2017**

Grant Agreement for the Site Assessment and Remedial Action Plan for Park City Commons Brownfield Redevelopment

	2017	2018	2019	2020	2021
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	53,450	-	-	-	-
Net Cost/(Benefit)	$ (53,450)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (53,450)	$ -	$ -	$ -	$ -

Additional Comments: Incremental revenue consists of 50% of the maximum grant amount of $106,900, which is based on the assumption that applicable remediation costs will equal or exceed $106,900. All other factors remaining unchanged, this would result in an increase the City's return on investment in the Joint Venture of $53,450, which will be credited to the Land Operating Reserve Fund.

"Original signed by"
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

Legal Services (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

The Key Direction of OurWinnipeg and Complete Communities that pertains to Major Redevelopment Sites states:

17 Major redevelopment sites will provide transformative opportunities for the development of complete communities with significant residential and employment densities and attractive urban design, capitalizing on vacant or underutilized sites within the existing urban fabric.

Directions 2 and 4 of Section 3 of Complete Communities state, respectively:

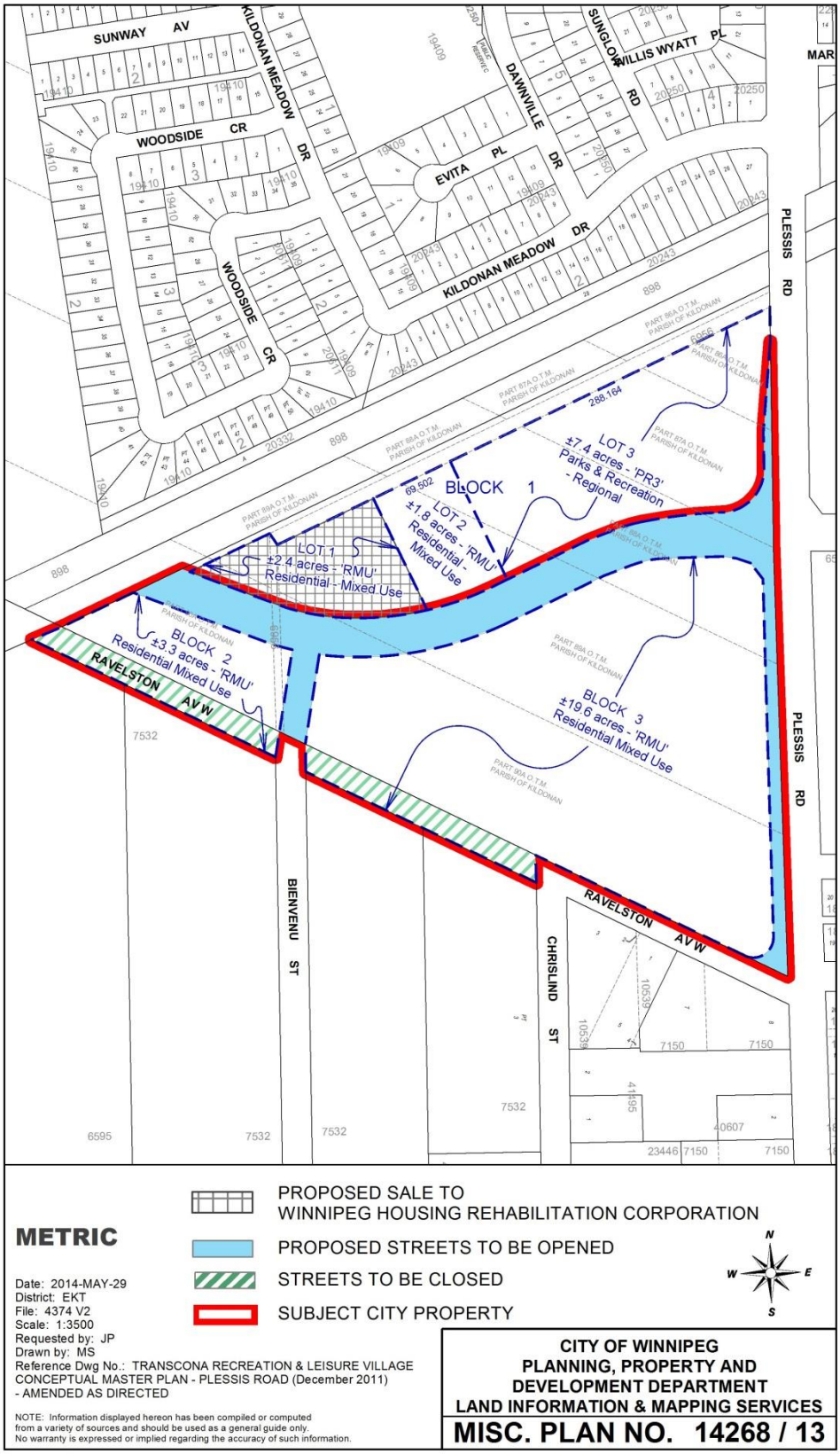
Capitalize on the proximity of major redevelopment sites to rapid transit and high frequency transit. Major redevelopment sites will provide for complete communities with significant levels of mixed use, high density development, with strong urban design and attractive parks, places and open spaces.

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate
Prepared by: Joedi Pruden
Date: July 31, 2017
File No: 4374 V4

O:\Reports Directive\Real Estate\Joint Venture\(jp) Park City Commons Grant Agreement.docx

Attachments:
Misc. Plan No. 14268/13


SUNWAY AV
KILDONAN MEADOW DR
WOODSIDE CR
DAWNVILLE DR
EVITA PL
SUNGLOW RD
WILLIS WYATT PL
KILDONAN MEADOW DR
WOODSIDE CR
PLESSIS RD
LOT 1
±2.4 acres - 'RMU'
Residential - Mixed Use
LOT 2
±1.8 acres - 'RMU'
Residential - Mixed Use
BLOCK 1
LOT 3
±7.4 acres - 'PR3'
Parks & Recreation
- Regional
BLOCK 2
±3.3 acres - 'RMU'
Residential Mixed Use
BLOCK 3
±19.6 acres - 'RMU'
Residential Mixed Use
RAVELSTON AV W
BIENVENU ST
CHRISLIND ST
PLESSIS RD
RAVELSTON AV W
PROPOSED SALE TO
WINNIPEG HOUSING REHABILITATION CORPORATION
PROPOSED STREETS TO BE OPENED
STREETS TO BE CLOSED
SUBJECT CITY PROPERTY
N
W
E
S
METRIC
Date: 2014-MAY-29
District: EKT
File: 4374 V2
Scale: 1:3500
Requested by: JP
Drawn by: MS
Reference Dwg No.: TRANSCONA RECREATION & LEISURE VILLAGE CONCEPTUAL MASTER PLAN - PLESSIS ROAD (December 2011) - AMENDED AS DIRECTED
NOTE: Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only. No warranty is expressed or implied regarding the accuracy of such information.
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 14268 / 13