

# Request for Proposal Process Update

Update on progress with tools within the Brownfield Redevelopment Grant and Request for Proposal

## Recommendation:

That the August 24, 2011, Sustainable Development report 2011SPE023 be received for information

## Report Summary

**In the July 21, 2010, Contaminated Gas Stations Strategy, several prospective tools were identified for implementation. The following report provides an update on the progress and relative success of each.**

## Previous Council/Committee Action

At the August 24, 2011, Contaminated Gas Station Task Force meeting, the August 24, 2011, Sustainable Development report 2011SPE023 was postponed to the November 8, 2011, Contaminated Gas Station Task Force meeting.

At the May 9, 2011, Contaminated Gas Stations Task Force meeting, the following motion was passed:

That Administration provides an update on the status of tools for brownfield owners (toolkit), specifically within the Grant Program and Request for Proposal process.

## Report

Two tools identified within the Strategy to promote brownfield redevelopment:

1. City of Edmonton Brownfield Redevelopment Grant
  - The program was redesigned for flexibility that rewards remediation progress and more productive use of land.
  - Individual funded steps have been crafted to reward completion of remediation and redevelopment stages.
  - An additional step accommodates interim solutions and exposure control/risk management.
  - Funding is expected to be fully committed for 2011.
  - The maximum potential grant per project has been increased.
  - Grant is limited to former gas station brownfields.
2. Brownfield Renewal Request for Proposal
  - A menu of stackable options has been distributed in a draft format to various stakeholders for feedback. The list of support items is currently limited. It is anticipated that as creative requests are received, evaluated, and potentially formalized, more support items will be added to the list to address a range of brownfield types. This draft is limited to former gas station brownfields; however, one developer is exploring the use of support items in the context of a very large project.
  - The evolution of this tool may need to be changed from the formal draft path to a brochure of standard support options that any brownfield redevelopment team can pursue. A recommendation

of this nature may be made to the Task Force in future.

### **Policy**

- City Policy C512, Environmental Policy

### **Corporate Outcomes**

The Way Ahead, City of Edmonton Strategic Plan 2009-2018:

- Preserve and Sustain Edmonton's Environment

### **Public Consultation**

Over the past twelve months a range of venues have been used to deliver our message and gather feedback to test/modify our approach as necessary, including:

- Meetings with environmental firms: MMM and EBA
- March 8, 2011, Brownfield Workshop
- June 24, 2011, Brownfield Breakfast
- Distribution of draft to developers and consultants
- Presentation to Communities in Bloom
- Presentation to Edmonton Business Revitalization Zone group

### **Attachments**

1. Tools Update: City of Edmonton Brownfield Redevelopment Grant and Former Gas Station Brownfield Renewal Request for Proposal
2. Brownfield Redevelopment Grant Application
3. Former Gas Station Brownfield Renewal Request for Proposal

### **Others Reviewing this Report**

- L. Rosen, Chief Financial Officer and Treasurer

- L. Cochrane, General Manager, Community Services
- D. H. Edey, General Manager, Corporate Services

## **Tools Update: City of Edmonton Brownfield Redevelopment Grant and Former Gas Station Brownfield Renewal Request for Proposal**

### **City of Edmonton Brownfield Redevelopment Grant**

The original Brownfield Redevelopment Grant was launched in 2006 with end dates for applicant commitments at the end of 2011. During the research for the Contaminated Gas Stations Task Force, there appeared to be an opportunity to modify this program to better suit the goal of advancing brownfield redevelopment.

The original structure of the program was to incentivize up to five full brownfield redevelopment projects with a maximum of \$100,000 each. While the five applicant spots filled quickly, no grant funding has been, or is expected to be, awarded. Developers were very attracted by the grant funding and were able to provide application material, however, a change in the economy, the rigid timeline requirements, and other variables made meeting the milestones improbable, undesirable, or cost prohibitive. No mechanism was built in for accommodating date or goal changes and the \$100,000 was no longer an amount that could significantly propel delivery of the redevelopment projects. In retrospect, these developers identified the original program as:

- Containing strict timelines.
- Not providing any cash-flow during the remediation stages of the project.
- Not rewarding progress between the natural stages of a full redevelopment because the grant payment was tied to the receipt of the occupancy permit.
- Not allowing funds to be directed towards environmental assessment and/or risk management/exposure control activities.
- Not of a great enough value.

The original grant program was designed in manner that reduced the overall risk to the City. The amount a qualified applicant would receive was calculated based on the anticipated tax-lift over a ten year period, post improvement. The mechanism for advancing funds was triggered by receipt of an occupancy permit which ensured the grant would only be provided to projects that reached full redevelopment.

Feedback from these previous grant applicants was key in the redesign. The revised brownfield grant program has benefited from the experience of the first version. With the same annual funding of \$200,000, the program is now designed in four steps. Applicants can apply for one or more steps and any one project can receive up to a maximum of \$200,000. The program is currently limited to former gas station brownfields however, as further projects are completed, the grant program may be a tool that translates well to other brownfield types. A note of caution however, is the grant value can have a tremendous support value on a property such as a former gas station brownfield (small lots, limitations on development options, remediation costs relative to potential margins). An industrial sized brownfield redevelopment (eg. \$100M budget) could absorb the entire project and annual maximum without being a decision factor in go/no go, just incidental funding to increase the bottom line.

### The Steps:

Step 1: Environmental Site Assessment (ESA) Phase I (Maximum \$5000 or 80%, whichever is less).

Step 2: Phase II ESA (initial or delineation) and/or Remedial/Exposure Control Planning (Maximum \$80,000 or 80%, whichever is less).

Step 3: Remediation (Maximum of \$200,000 or 80%, whichever is less).

Step 4: Redevelopment with Remediation/Exposure Control or Interim Solution (Maximum \$200,000 or 80%, whichever is less).

Feedback from the developers, property owners, environmental firms, and other stakeholders indicates that the revised four steps above may provide appropriate stimulus to move the status of the brownfield in the desired direction of remediation and productive land use.

Since the official launch of the revised grant in April, the program has been promoted on the web, through the media, in workshops and other events to a wide range of stakeholders.

The first successful applicant has reserved funding for \$80,000 on schedule for Step 2 completion by the end of the summer.

The balance of this funding for 2011 is expected to be officially reserved through a combination of one or more active expressions of interest including a Step 3 inquiry (Remediation) and several Step 4 inquiries (Interim solutions).

### **Former Gas Station Brownfield Renewal Request for Proposal (RFP)**

The purpose of this tool was to engage a brownfield redevelopment project with a menu of potentially attractive incentives. The items would ideally be stackable in order to offer a greater overall incentive value than any one such as the grant with a maximum of \$200,000. This approach would be directed at any brownfield type, so the ability to increase the overall value of support is critical in order to impact a very large project in a meaningful way.

The RFP items include:

City staff resources - brownfield coordinator, environmental staff, planning staff

Tax Forgiveness

Tax Deferral

Brownfield Grant - site must include a former gas station site to qualify

Development Incentive Program - this program is relevant to proposals for properties in qualified "Enterprise Areas" that invest in new development, redevelopment and/or conversion of properties for mixed use, multi-unit residential, and/or eligible retail and commercial use storefront occupancy.

Other - it is anticipated that as creative requests are received, evaluated, and potentially formalized, more support items be added under 'Other' to address a range of brownfield types.

The concept of an RFP has been kept in a draft format with distribution to environmental firms, developers and landowners for consideration. Rather than proceeding to a formal RFP process, a better approach may instead be the maintenance of an inventory of

standardized and publicly available support options for brownfield redevelopment projects to incorporate. The annual strategy review may include a recommendation to the Task Force regarding future use of this tool.

## Brownfield Redevelopment Grant Application

In July 2010, Edmonton City Council approved a proposed strategy for addressing Contaminated Gas Stations within municipal boundaries. The broad strategy identified barriers and solutions to redevelopment of these properties.

One area identified as having the potential to address this issue is an existing City of Edmonton Brownfield Redevelopment Grant Program. Launched in 2006, it offered qualified applicants up to \$100,000 for completion of approved redevelopment proposals. With a program budget of \$500,000, a total of five proposals were approved through a qualification process. Since the signing of the agreements, three of the five participants have formally withdrawn. The final two are not expected to meet the deliverables and subsequently will not qualify for grant payment.

Previous grant program participants have provided valuable feedback regarding the limitations of the existing program. They have suggested variations to the guidelines to help propel redevelopment plans through the various stages successfully.

In addition, it was suggested that a staff resource be accessible to provide a single point of contact. This support role has been identified through the position of “Brownfield Coordinator”. Initial contact can be made through [brownfield.coordinator@edmonton.ca](mailto:brownfield.coordinator@edmonton.ca).

The following redefines the City of Edmonton Brownfield Grant Program as a result of research and consultation to increase the impact of this remediation and redevelopment initiative.

### ELIGIBILITY CRITERIA FOR ALL GRANT STAGES

- The property must be located within the boundaries of the City of Edmonton.
- The property must have been formerly used for the purposes of retail gasoline/diesel sales.
- The current condition of the site must meet the City of Edmonton’s Brownfield definition: “A Brownfield is a site that is under-utilized and where past activities on the site have caused environmental soil and/or groundwater contamination”. For the purposes of this program these Brownfields exhibit good potential for other uses and provide economically viable business opportunities.
- The applicant must own the subject property or have explicit written consent from the property owner for the environmental site assessment or reclamation to be undertaken.
- The property is not a municipal, provincial or federal land.
- The site may have existing/current environmental assessments or may have assessments with remediation/risk management plans ready to deploy.

### APPLICATION PROCESS

- All Applicants who plan to apply for rezoning of the property referenced in their application are encouraged to consult with the Sustainable Development Department. Contact 311 for basic information and arrange for a meeting with a

Sustainable Development professional prior to formally submitting their application. This step is critical to understand the rezoning process and ensure timely processing and project approval.

- At the time the application is submitted, a site inspection may be carried out to verify the site meets the Brownfield definition. Provide any existing documentation of previous Phase I and Phase II Environmental Site Assessment (ESA) results, if available. Note that current environmental targets will be applied to all applicant proposals.
- The Brownfield Grant Program is managed by the City of Edmonton. Grant awards for qualified proposals are subject to availability of funds at time of application. A waiting list for grant funding will be managed on a first come/first served basis.
- The City of Edmonton representatives will review completed applications and will either approve or refuse an application at its discretion. The City of Edmonton may require additional information from applicants in order to consider applications.
- All material submitted to the City of Edmonton for the purposes of consideration in this grant program may be shared internally with City of Edmonton branches and any relevant government agencies.
- There are multiple grant stages (Stage 1 and/or Stage 2 and/or Stage 3 or 4) for which a project may qualify. This single application form may be used for applying for each stage(s) relevant to the overall proposal. A maximum total value of City of Edmonton Brownfield Grant funding to any one project is \$200,000.
- Applicants whose projects have received preliminary approval will be required to enter into a Grant Funding Agreement with the City of Edmonton in the form attached.

### **STAGE 1: Historical Investigation: Environmental Site Assessment Phase I**

Grant Amount: Maximum of \$5,000 or 80% of the Phase I ESA, or the lesser amount per proposal.

#### **Eligibility Criteria**

- a) An application for the Phase I Environmental Site Assessment Grant must be submitted to the City prior to the start of any work to which the grant will apply.
- b) This grant is to be used towards completing a Phase I Environmental Site Assessment.
- c) The Phase I ESA must comply with the CSA Z768-01 (R2006) Phase I Environmental Site Assessment standard guidance document. The Phase I ESA report shall include, but not be limited to, at least the following:
  - i. historical review of the subject property and adjacent properties, including a historical summary of land titles (subject property only), land uses, interviews, review of aerial photographs on at least a 5-7 year interval (where available) dating back as far as possible given adequate scale and quality of the photos, municipal, provincial and federal regulatory agency records checks, review of other environmental reports available for the property.



- ii. review of any historical uses of properties in the general area where activities had the potential to cause an adverse environmental impact (not limited to directly adjacent properties).
  - iii. present day review of the subject property and adjacent lands, including site visit (unencumbered inspection of suspected areas will be the owner's responsibility, e.g. removal of snow cover where warranted), and interviews with present owners/land users.
  - iv. copies of location maps, site diagrams and aerial photographs must be presented in the report. As well, any documentation acquired during the historical or present-day review should be presented in the report.
- d) Applications must include:
- i. written consent from the property owner/proof of site ownership;
  - ii. a proposal for the environmental study prepared by a "qualified environmental specialist" including a cost estimate to do the work<sup>1</sup>; and
  - iii. a description of the planned redevelopment or interim land-use, including timeframes and any planning applications that have been submitted/approved.

### **To receive Grant Payment for Stage 1**

- a) Phase I ESA must be completed;
- b) All environmental studies must be conducted and signed-off by a "qualified environmental specialist" and must meet the scope of work and detailed plans outlined in the proposal provided with the grant application form to the satisfaction of the City;
- c) One (1) electronic draft report will be provided to the City for review. After the City review is complete, one (1) electronic final report and (1) final hard copy of the study findings shall be submitted;
- d) Grants will either be paid to the "qualified environmental professional" conducting the work or to the property owner once the report has been fully completed to the satisfaction to the City; and
- e) The City reserves the right to audit the costs of studies prior to making the grant payment.

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<sup>1</sup> A **Qualified Environmental Professional** is a person who is a member in good standing with one of the six professional regulatory organizations outlined in the document *Professional Responsibilities in Completion and Assurance of Reclamation and Remediation Work in Alberta – Joint Practice Standard (September 2007)*. This document is endorsed by the Province of Alberta.



## **STAGE 2: Phase II ESA (initial or delineation) and/or Remedial/Exposure Control Planning**

Grant amount: Maximum of \$80,000 or 80% of the environmental study being proposed, whichever is less, per proposal.

### **Eligibility Criteria**

- a) An application for the Stage 2 ESA Grants must be submitted to the City prior to the start of any work to which the grant will apply;
- b) This grant can be used for one or all of the following purposes:
  - i. to confirm, with a reasonable level of certainty, as deemed by the qualified environmental professional conducting the assessment, the presence or absence of contamination at the site (initial Phase I ESA);
  - ii. to delineate contamination at the site based on previously obtained Phase I ESA information (Any existing Phase II ESA data must be updated in a manner that it can be compared to the most recently published provincial guidelines); and/or
  - iii. to develop a plan to remove, treat, or otherwise manage contamination found on the site (Remediation Plan or Exposure Control).
- c) Applications must include:
  - i. if available, any current or Historical Investigation Phase I ESA material as per the requirements outlined in Testing Stage 1 of the grant program;
  - ii. written consent from the property owner/proof of site ownership;
  - iii. a proposal for the environmental study prepared by a “qualified environmental specialist” including a cost estimate to do the work;
  - iv. a detailed study work plan with defined end dates and milestones; and
  - v. a description of the planned redevelopment or interim land-use, including timeframes and any planning applications that have been submitted/approved.

### **To receive Grant Payment for Stage 2**

- a) All environmental studies must be conducted and signed-off by a “qualified environmental specialist” and they must meet the scope of work and detailed plans outlined in the proposal provided with the grant application form to the satisfaction of the City.
- b) One (1) electronic and one (1) hard copy of the study findings shall be submitted to the City.
- c) Grants will be paid directly to the “qualified environmental professional” conducting the work.
- d) The city reserves the right to audit the costs of studies prior to advancing the grant payment.

### STAGE 3: Remediation

Grant amount: Maximum of \$200,000 or 80% of the remediation activity, whichever is the lesser amount per proposal.

#### Eligibility Criteria

- a) Data confirms, with a reasonable level of certainty, as deemed by a “qualified environmental professional” conducting the assessment, the presence of chemicals of concern at the site are at levels that exceed the provincial guidelines.
- b) Contamination at the site must be fully delineated (including off-site impacts) as deemed by a “qualified environmental professional” conducting the assessment.
- c) A remediation methodology must have been chosen and the course of action documented in a formal remediation plan prepared by a “qualified environmental professional”.
- d) An application for the Remediation Grant must be submitted to the City prior to the start of any work to which the grant will apply.
- e) This grant is to be used for environmental remediation. The grant may cover the cost of actions taken to reduce the concentration of contaminants on, in or under the eligible property to permit the property to be redeveloped in a manner that is sufficient to, at a minimum, result in an increase in the assessed value of the property. The grant may also cover demolition and removal of existing on-site infrastructure required prior to environmental remediation being conducted. The proposed land use must be included in the requested business plan as part of the application package, and the City reserves the right to evaluate the proposed plan in the context of economic viability and benefit to the surrounding community.
  - i. implementation and monitoring of exposure control program: the grant will cover costs resulting from approved remediation activity up to the acceptable target levels of contaminants for the desired zoning.
- f) Applications must include:
  - i. a Phase I ESA as per requirements outlined in Stage 1 Testing of the Environmental Site Assessment Grant;
  - ii. written consent from the property owner/proof of site ownership; and
  - iii. a Phase II ESA (with complete delineation) and a remediation plan prepared by a qualified environmental professional.
    - a. The remediation plan must:
      - i. identify the full extent of contamination (including off-site impacts)
      - ii. a full description of the remediation method proposed
      - iii. results of any feasibility studies conducted

- iv. a detailed work plan and budget for the environmental remediation
- v. the timeframe in which remedial endpoints are expected to be met
- b. Business plan that includes (the City's Brownfield Coordinator will work with the proponent on developing this to the level of detail the City requires):
  - i. intended land-use/development details
  - ii. economic/financial assessment
  - iii. financing plans
  - iv. partners and roles and responsibilities
  - v. site management considerations

### **To receive Grant Payment(s) for Stage 3**

- a) All environmental work must be conducted and signed-off by a "qualified environmental specialist" and they must meet the scope of work and detailed plans outlined in the proposal provided with the grant application form to the satisfaction of the City.
- b) All third party risk management/exposure control programs must be signed off by the affected third party.
- c) One (1) electronic and one (1) hard copy of the study findings shall be submitted to the City.
- d) Grants will be paid directly to the "qualified environmental professional" conducting the work or to contractors performing the work in accordance with a payment schedule determined by the City and the applicant.
- e) The City reserves the right to audit the costs of all components of the project prior to advancing the grant payment(s).
- f) The City reserves the right to require the submission to the City's satisfaction, of environmental reports and documentation showing the subject property has been remediated to the appropriate levels for the proposed use and/or the proposed exposure control program is adequate for the intended land use. This may involve access to external agencies for comment or review.
- g) The City acknowledges the potential need to disburse some grant funds prior to the submission of the final report. The schedule for disbursement will be dependent upon the specific plans submitted to the City; however, it is proposed that a minimum of 25% of eligible costs be advanced upon project initiation, another 25% will be advanced at a predetermined mid-project milestone, and the final 50% upon completion of the final remediation report. This schedule may be altered to suit the individual project at the discretion of the Brownfield Coordinator.

### **STAGE 4: REDEVELOPMENT WITH REMEDIATION/EXPOSURE CONTROL OR INTERIM SOLUTION**

Grant amount: Maximum of \$200,000 or 80% of the remediation or exposure control program being proposed, whichever is less, per property. Grant can also be applied to the construction of infrastructure to support an innovative interim land-use or renewable energy or that might be outlined in a detailed exposure control program or long-term remediation plan.

### **Eligibility Criteria**

- a) Data confirms, with a reasonable level of certainty, as deemed by a “qualified environmental professional” conducting the assessment, the presence of chemicals of concern at the site at levels that exceed the provincial guidelines.
- b) Contamination at the site must be fully delineated (including off-site impacts) as deemed by a “qualified environmental professional” conducting the assessment.
- c) A remediation methodology and/or method of exposure control must have been chosen and the course of action documented in a formal remediation plan or exposure control program prepared by a “qualified environmental professional”.
- d) An application for the Stage 4 grant must be submitted to the City prior to the start of any work to which the grant will apply.
- e) This grant can be used for one or all of the following purposes:
  - i. Environmental remediation: The grant may cover the cost of any actions taken to reduce the concentration of contaminants on, in or under the eligible property to permit the property to be redeveloped in a manner that is sufficient to, at a minimum, result in an increase in the assessed value of the property. The grant may also cover demolition and removal of existing on-site infrastructure required prior to environmental remediation being conducted.
  - ii. The proposed land use must be included in the requested business plan as part of the application package. The City reserves the right to evaluate the proposed plan in the context of economic viability and benefit to the surrounding community.
  - iii. Implementation and monitoring of exposure control program: The grant may cover the installation of infrastructure designed to remove/manage the receptor pathways as outlined in a risk assessment/exposure control program (i.e. engineered barriers), the monitoring and maintenance of any engineered controls, the implementation of administrative controls outlined in a risk assessment/exposure control program, plume monitoring and modeling designed to assess plume mobility/stability, plume management measures designed to reduce contaminant concentrations and accelerate timelines to meet remediation endpoints and infrastructure that would allow the site to be temporary developed

for a desirable interim land use including the installation of renewable energy infrastructure (e.g. solar panels), art installation, community gardens. The proposed management of the site, infrastructure upgrades and any interim land use must be included in the requested business plan as part of the application package and the City reserves the right to evaluate the proposed plan in the context of economic viability and benefit to the surrounding community.

f) Applications must include:

- i. a Phase I ESA
- ii. written consent from the property owner/proof of site ownership
- iii. a Phase II ESA (with complete delineation) and a remediation plan and/or risk assessment with a planned exposure control program that is prepared by a qualified environmental professional
  - a. The remediation plan must:
    - i. identify the full extent of contamination (including off-site impacts)
    - ii. include a full description of the remediation method proposed
    - iii. include results of any feasibility studies conducted
    - iv. include a detailed work plan and budget for the environmental remediation
    - v. include the timeframe in which remedial endpoints are expected to be met
  - b. The risk assessment/exposure control program must:
    - i. identify the full extent of contamination (including off-site impacts)
    - ii. include a description of the planned redevelopment or interim land-use, including timeframes and any planning applications that have been submitted/approved
    - iii. provide an assessment of exposure pathways and receptors specific to the intended land use
    - iv. provide applicable risk management criteria and how it was derived
    - v. identify affected third parties and the relevant risk management/exposure control plans to manage third party impacts
    - vi. risk management/exposure control strategies
    - vii. risk management/exposure control procedures
    - viii. modeling data and monitoring schedule
    - ix. applicable remediation endpoints and timeframe of achieving those endpoints as well as the means being employed to meet those endpoints (e.g. monitored natural attenuation, in-situ biostimulation, future planned remediation, etc.)

- c. Business plan that includes (the City's Brownfield Coordinator will work with the proponent on developing this to the level of detail the City requires):
  - i. intended land-use/development details
  - ii. economic/financial assessment
  - iii. financing plans
  - iv. partners and roles and responsibilities
  - v. site management considerations
  - vi. end use and timeline of key milestones

#### **To receive Grant Payment(s) for Stage 4**

- a) All environmental work must be conducted and signed-off by a "qualified environmental specialist" and they must meet the scope of work and detailed plans outlined in the proposal provided with the grant application form to the satisfaction of the City.
- b) All third party risk management/exposure control programs must be signed off by the affected third party.
- c) One (1) electronic and one (1) hard copy of the study findings shall be submitted to the City.
- d) Grants will be paid directly to the "qualified environmental professional" conducting the work or to contractors performing the work in accordance with a payment schedule determined by the City and the applicant.
- e) The City reserves the right to audit the costs of all components of the project prior to advancing the grant payment(s).
- f) The City reserves the right to require the submission, to the City's satisfaction, of environmental reports and documentation showing the subject property has been remediated to the appropriate levels for the proposed use and/or the proposed exposure control program as adequate for the intended land use.
- g) Disbursement schedule for remediation/exposure control. The City acknowledged the need to disburse funds prior to the submission of the final report. The schedule for disbursement will be dependent upon the specific plans submitted to the City however, it is proposed that a minimum of 25% of eligible costs be advanced upon a pre-determined project initiation point, another 25% will be advanced at a predetermined mid-project milestone, and the final 50% upon completion of the final remediation report or significant implementation milestone associated with the exposure control program and determined during the grant approval phase between the City of Edmonton representative and the applicant. This schedule may be altered to suit the individual project at the discretion of the Brownfield Coordinator.

## Former Gas Station Brownfield Renewal Request for Proposal

The following are highlights from the Request for Proposal draft exclusive of any template sections.

### **INTRODUCTION**

In July 2010, Edmonton City Council approved a proposed Strategy for addressing Former Gas Stations brownfields within its municipal boundaries. One of the elements designed to accelerate transformation of these properties is to invite redevelopment proposals that would incorporate one or more of a range of support tools to overcome the financial and process barriers. Key to a successful proposal will be incorporating the City of Edmonton plans for sustainable redevelopment, increased density, economic diversity and improved quality of life for residents in the areas impacted by these brownfields.

Proposals from property owners or developers with appropriate owner consent will be considered qualified for this RFP.

The definition of redevelopment for the purposes of this RFP includes a range of options from interim solutions to permanent structures. Uses may be residential, commercial, industrial, and functional and/or have aesthetic appeal.

### **EVALUATION OF PROPOSALS**

To be considered for the program, the proposal must include solely or as part of a larger property a site that meets the following definition: a former gas station site with development potential and is vacant, underutilized or abandoned. The proposal must provide a detailed description of the current use of the property, the intended end use and detailed risk management plan or remediation plan as well as the intended use for the property. The planned end use detailed in your proposal may be an interim solution or a full redevelopment. Where re-zoning is required, advance discussion with the City of Edmonton Sustainable Development Department is recommended. This is meant to ensure timelines, cost and proposal design address the re-zoning process.

The RFP response must identify a redevelopment proposal for a brownfield that was formerly a gas station into a new and more valuable purpose. The new usage of the property must add value from one or more of the following perspectives: community aesthetics, meet or enhance current and future planning for the area, address the environmental condition of the property by meeting or exceeding all current legislation, demonstrate an increased property valuation, demonstrate increased positive economic impact through increased employment and / or commercial activity, incorporate innovative technology in remediation and / or sustainable redevelopment.

#### **Criteria:**

After the initial screening of all proposals for compliance to the Requirements the submissions of the remaining proposals will be evaluated using a weighted evaluation scoring method. The Proponent's responses to the proposal requirements will be reviewed by the evaluation committee using a scale of 1 to 5 and then multiplied by the weighted evaluation value for the particular item or question.



Selection Criteria Section	
1	Job Creation/Economic Impact (weight of 3)
2	Redevelopment Permanence (weight of 2) or Interim Value (ie. aesthetic, solar installation, community garden) (weight of 2)
3	Timeline Impact (Difference between current timeline for redeployment and proposed timeline eg. 60 months reduced to 18 months = acceleration of 42 months. (weight of 4)
4	Net new tax revenue (weight of 1)
	Total

A sample Calculation is included at the end of this document - Appendix A.

#### Municipal Incentive/ Support Value

At this stage, pricing proposals will be opened and evaluated. For valuation purposes only, of this element of the municipal incentive contribution, calculate the number of hours your project will incorporate **City Staff support** at the hourly rates below:

- a. Calculate requested support at an hourly rate for City staff resources
  - i. \$200/hr Environmental Professional
  - ii. \$125/hr Project Support/Sponsorship Support (ie. external grants, coordination with internal departments such as Planning and Development, review and feedback of project plans)
- b. Dollar value calculation for **Tax Forgiveness** based on net assessment value of proposed less current assessment for an annual figure.  
(eg. proposed \$55,000 – current \$5,000 =net \$50,000/yr)
- c. Dollar value calculation of **Tax Deferral** incentive based on a rate of 5% of net assessment value of proposed less current assessment for an annual figure.  
(eg. proposed \$55,000 – current \$5,000-\$5,000=net \$50,000/yr  
One year deferral value eg. : \$50,000 x 0.05= \$2,500/yr)
- d. Dollar value for qualified **Brownfield Grant** support. Maximum of one or multiple Stages of \$200,000 per proposal.
  - i. Stage 1: Phase I - Maximum \$5,000 (or 80% whichever is less)
  - ii. Stage 2: Phase II (initial or delineation) and/or Remedial/ Exposure Control Planning - Maximum \$80,000 (or 80% whichever is less)
  - iii. Stage 3: Phase III Remediation/Exposure Control/Risk Management - Maximum of \$200,000 (or 80% whichever is less)

- iv. Stage 4: Redevelopment with Remediation and Exposure Control OR Interim Solution - \$200,000 (or 80% whichever is less)
- e. Dollar value calculation for access to the City of Edmonton **Development Incentive Program**. This is a grant funding program designed for revitalizing and reinvesting in Edmonton's main street commercial areas that need added support. This program is relevant to proposals for properties in qualified "Enterprise Areas" that invest in new development, redevelopment and / or conversion of properties for mixed use, multi-unit residential, and/or eligible retail and commercial use storefront occupancy.  
  
([http://www.edmonton.ca/city\\_government/planning\\_development/development-incentive-program.aspx](http://www.edmonton.ca/city_government/planning_development/development-incentive-program.aspx)).
- f. **Other-** if any, could include the detail and valuation of other potential support tools not listed above that would contribute to the delivery of your brownfield remediation / redevelopment proposal.

A sample Calculation is included at the end of this document - Appendix A.

#### Aggregate (Total) Score

The scores for the quality and price evaluations are added together to arrive at an aggregate (total) score.

Preliminary Evaluation Score		Total	Maximum Points
1	Criteria	<b>scores</b>	Resulting points
2	Municipal Support/Incentive Value	\$	Scaled with other submission
<b>Total Obtainable Points Overall</b>		<b>\$</b>	<b>pts</b>

#### Interviews:

A short list of Proponents may be selected, comprised of up to the top three evaluated proposals. If required the interviews may consist of a 30 minute presentation by the short listed Proponent/s, followed by a 30 minute question/answer period.

The evaluation committee may re-evaluate and assign adjusted scores to the remaining proposals using any of the new or updated information acquired during this Stage.

### **PROPOSAL REQUIREMENTS**

#### **Submission Requirements:**

All Submissions shall be written in English, the City will reject any Submissions not written in English. Proponents shall provide a point by point response to the following requirements with relevant and concise information that will be used in the evaluation of Proposals.

Provide a summary and copies of existing environmental material including ESA's, compliance audits, risk management plans available for the property identified for the proposal.

Provide an organizational chart specific to the personnel assigned to accomplish the work called for in this Request for Proposal. Illustrate the lines of authority and designate the individuals responsible and accountable for the completion of each component and deliverable of the Project.

Provide a narrative description of your proposal from the starting point to the end use clarifying improvements, benefits, and advantages to the local residents, businesses, environments, or other element for consideration.

Provide a personnel roster that identifies your Project Manager and each person who will actually work on the Contract. Provide the following information for each person listed.

Certificate of Title(s).

Location(s) of property where remediation, risk management, and/or redevelopment work will be performed.

Reference names and phone numbers for similar relevant projects the personnel proposed have completed.

Provide a project plan and timeline for the proposal "Description of Work".

#### **Added Value:**

Proponents may provide any other pertinent information that would be relevant and is not referred to in this Request for Proposal, or any other added value that could be provided to the City for consideration in the evaluation of Proposals. (community impact, environmental elements, economic value, employment impact, innovation, accelerated timeline, aesthetic improvement).

#### **Cost of Proposal:**

The Cost of the entire Proposal including the amounts identified as City of Edmonton contribution and the amount to be supplied by the proponent, must be submitted in a single sealed envelope.

All prices must be provided in Canadian Dollars and shall not include the Goods and Services Tax. The Submission must indicate any applicable GST as a separate amount. Proponents shall identify if any portion of this purchase is GST exempt.

Proponents shall provide a total project cost with a breakdown and inclusive of all time, labour and disbursements in delivering the remediation/risk management and/or redevelopment activity as described in the Description of Work (1.4.4). The award process will include a reserving of funds based on these project costs.

Any anticipated disbursement costs, for such items as printing, photocopying, travel and related expenses that will be charged to the City.

#### **PROPONENT QUALIFICATIONS**

Proponents shall demonstrate the authority to enter into this agreement either through proof of ownership of the property(ies) or express written consent of the property owner.

## **APPLICABLE REFERENCE MATERIAL**

Aligning Proposal results with City of Edmonton Policies:

The Way Ahead:

[http://www.edmonton.ca/city\\_government/documents/COE\\_strategicbook-FINAL.pdf#xml=http://search1.edmonton.ca/taxis/ThunderstoneSearchService/pdfhi.txt?query=the+way+ahead&pr=www.edmonton.ca&prox=page&rorder=750&rprox=250&rdfreq=0&rwfreq=0&rlead=750&rdepth=0&sufs=1&order=r&cq=&id=4d5506437](http://www.edmonton.ca/city_government/documents/COE_strategicbook-FINAL.pdf#xml=http://search1.edmonton.ca/taxis/ThunderstoneSearchService/pdfhi.txt?query=the+way+ahead&pr=www.edmonton.ca&prox=page&rorder=750&rprox=250&rdfreq=0&rwfreq=0&rlead=750&rdepth=0&sufs=1&order=r&cq=&id=4d5506437)

City of Edmonton Brownfield Grant Brochure available through  
[brownfield.coordinator@edmonton.ca](mailto:brownfield.coordinator@edmonton.ca)

The Way We Green:

[http://www.edmonton.ca/city\\_government/documents/TheWayWeGreen-approved.pdf](http://www.edmonton.ca/city_government/documents/TheWayWeGreen-approved.pdf)

Development Incentive Program

[http://www.edmonton.ca/city\\_government/planning\\_development/development-incentive-program.aspx](http://www.edmonton.ca/city_government/planning_development/development-incentive-program.aspx)

## **EVALUATION TEAM AND SELECTION PROCESS**

- a. An initial review will be conducted by the Evaluation Team to determine conformance to submission requirements and completeness.
- b. Detailed evaluation of Proponent Submission, qualifications and financial documentation presented.
- c. The Evaluation Team may but is not obligated to request a presentation and interview(s).
- d. Evaluation will check references and may visit sites developed by Proponent.
- e. Evaluation Team may request additional information for the most qualified applicants and make a decision(s).
- f. Upon selection, exclusive negotiations leading to land redevelopment and any related agreements.
- g. Final Approval by the City of Edmonton may include approval by Corporate Leadership Team and the City of Edmonton Contaminated Gas Stations Task Force.

The Evaluation of Proposals will be completed by a cross-section of City of Edmonton Department representatives. Members will include:

Evaluation Team: Environment (2), Transportation (1), Planning and Development (2), Legal (1), Finance (1).

## **APPENDIX A**

### **Proposal Requirements**

### **Proposal Response Template**

#### ***Example only:***

1.1. Refer to enclosures for attachments of Environmental Summary and copies of original ESA's, compliance audits and risk management plans.

1.2. Organizational chart of proposed team- insert image or provide enclosure.

1.3 The property is located within one of the City's historic neighbourhoods. It is a pie-shaped lot with access to the two key roads that provide access for residents to their homes and out of the neighbourhood to the rest of the city.

Vehicle and foot traffic past this location ensures high visibility for the future businesses and once established would provide local access to services such as legal and dental as well as gourmet fare. Potential tenants and owners are in place with memorandums of understanding. Early conversations with local residents have discovered a widespread desire for local services and the repurposing of this central, highly visible property to something aesthetically in line with the historic neighbourhood. Within this project description the applicant may consider addressing one or more relevant municipal plans such as the *Way We Live* to align with municipal priorities regarding densification, mixed use, environmental improvements and revitalizing mature neighbourhoods.

The Team includes:

1.4. The project team contact information with titles:

Sam XRay – Environmental Engineer, 780-555-1212, [sam.xray@environment.ca](mailto:sam.xray@environment.ca)

Bella Mead – Project Manager, 780-555-1213, [bella.mead@environment.ca](mailto:bella.mead@environment.ca)

All members

1.4.1 See enclosure of certificate of title for the proposal properties.

1.4.2 Address where exposure control/risk management activity will occur: 123 Hypothetical Street, Edmonton, Alberta, TTT 111

1.4.3 Details of previous relevant project and personnel experience.

1.4.4 Enclose project plan and timeline for the proposal including these sample details and any other relevant details for your proposal:

- a) Owner: Bill H. Bixby
- b) Developer: Bixby Builders
- c) Lot Size: 2400 sq m
- d) Current Zoning: CNC – Neighbourhood Convenience Commercial Zone
- e) 2011 Assessed Value: \$450,000.00
- f) 2011 Estimated Tax: \$5,000.00
- g) Current Land Use: Undeveloped
- h) Intended Use: Complex including Health Services, Professional Services, Specialty Food
- i) Located in a Business Redevelopment Zone (BRZ, if so, which one)?: Yes, Imaginary one
- j) Neighbourhood: Bixby Landing

*This table is a sample of your team's opportunity to choose and calculate value for support elements from the options below:*

Calculating Municipal Incentive/ Support Value – Stage 3

<b><u>City Staff support</u></b>	\$150/hr Environmental Professional	20 hrs x \$200	\$4000
<b><u>City Staff support</u></b>	\$75/hr Project Support/Sponsorship Support	50 hrs x \$125	\$6250
<b><u>Tax Forgiveness</u></b>	Net annual assessment of pre-post development – forgiven by City of Edmonton for one year.	\$50,000-\$5,000	\$45,000
<b><u>Tax Deferral</u></b>	0.5% of net annual assessment of pre-post development	n/a	\$0
<b><u>Brownfield Grant</u></b>	Phase 1	80% of \$5,000	\$4,000
<b><u>Brownfield Grant</u></b>	Phase 2 (Exposure Control)	80% of \$100,000	\$80,000
<b><u>Brownfield Grant</u></b>	Remediation/Risk Management/ Exposure Control (Phase III) OR Interim solution	n/a	\$0
<b><u>Development Incentive Program</u></b>	New Retail and Commercial Building Development  A reimbursement grant for the construction of a new retail and commercial use building that has a minimum of two stories and eligible ground floor retail and commercial use occupancy.	5% of the total construction value (eg. \$2,000,000) to a maximum amount of \$40,000	\$40,000
<b><u>Other</u></b>	City of Edmonton signage and promotion acknowledging the environmental contributions of sample project.	Estimated valuation of publicity/support	\$10,000
<b><u>Total</u></b>			<b>\$189,250</b>

*This is a sample evaluation only for scoring to be prepared by the evaluation team.*

Selection Criteria Section		Score	Result
1	Job Creation/Economic Impact (weight of 3)	Three separate new businesses in the area providing professional and retail services. 5	15
2	Redevelopment Permanence (weight of 2) <b>Or</b> Interim Value (ie. aesthetic, renewable technology, community garden) (weight of 2)	The building will become a permanent fixture (20+ years) in the neighbourhood and includes allowance for environmental improvement as well as landscaping/park space. 5	10
3	Timeline Impact (Difference between current timeline for redeployment and proposed timeline eg. 60 months reduced to 18 months = acceleration of 42 months. (weight of 4)	Indefinite reduced to 18 months. The property has remained idle for 25 years and there has been no development activity in that time. 4	20
4	Net new tax revenue (weight of 1)	This result is scored by scaling against other submissions and adds the sample mid range addition to new tax revenue. 3	3
<b>Total</b>			<b>48 points</b>