CITY OF LANGLEY: Brownfield Redevelopment ... a catalyst for change









Our Vision in Action



BROWNFIELD REDEVELOPMENT: "First of its Kind in BC"

"Colliers commends the City of

Langley for taking the initiative to undertake a Brownfield Redevelopment Strategy. This report – the first of its kind at the local government level in BC - builds on the DMP as well as the Economic Development Strategy to explore the economic realities of brownfield redevelopment in the City of Langley, and positions the city as a partner in the continued redevelopment of the community."

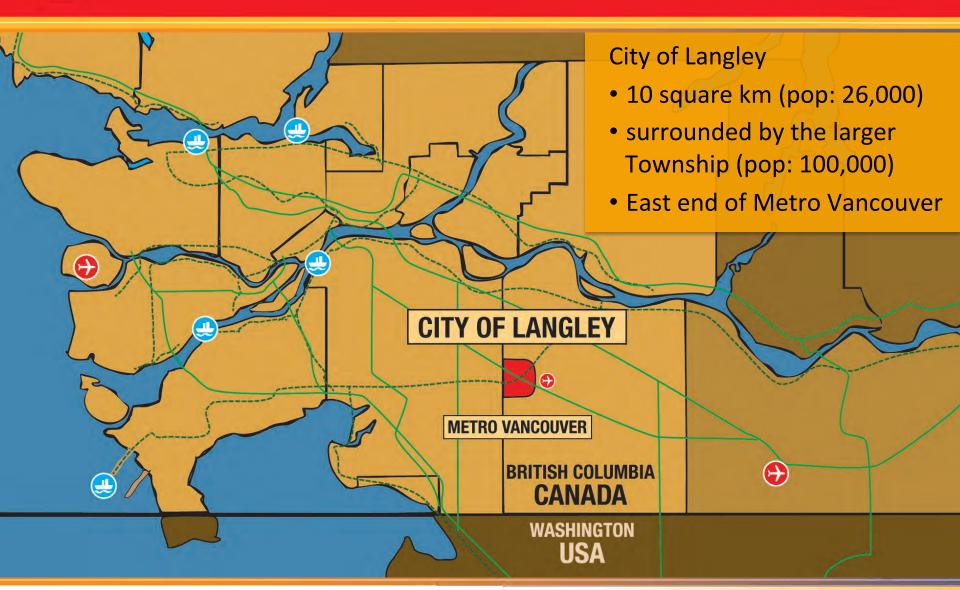
— COLLIERS INTERNATIONAL

"...the first of its kind"





City of Langley: Regional Context





Definition: "Brownfield"

"Brownfield — abandoned, vacant, derelict, or underutilized commercial or industrial properties where past actions have resulted in actual or perceived contamination and where there is an active potential for redevelopment"

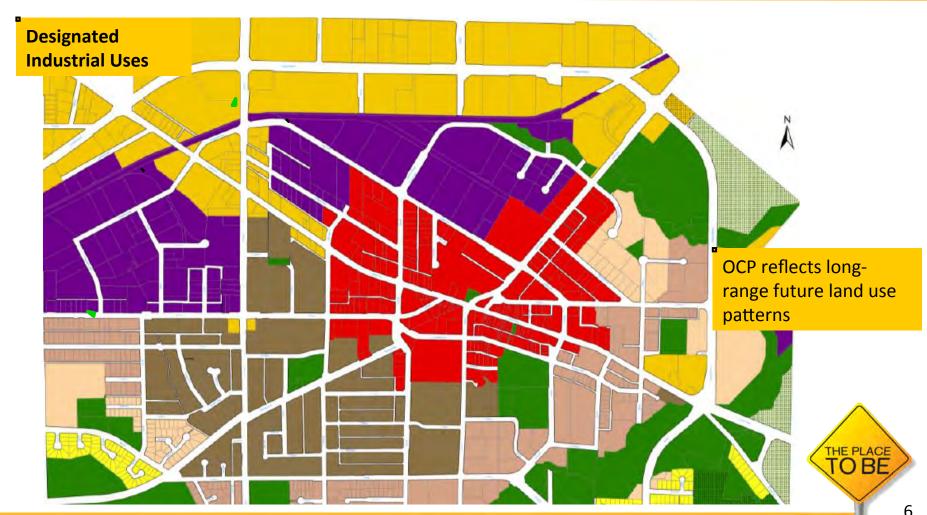
 National Round Table on the Environment and the Economy Government of BC

- Provision of a "higher and better use"
- Commercial or light industrial
- "Upgrading the area" and the quality of the environment
- Potential to introduce sustainable practices





Limited Space for Re-Development





Objectives of the Strategy

- Understand the Brownfield redevelopment process
- Identify Underutilized Brownfield sites throughout the City
- City limits inhibit new areas for development "Greenfield Sites"
- **Densification** required for future growth / prosperity
- Potential for higher tax revenues / employment
- Transition in land uses





Strategy Context

Red Tape stalls development of scarce industrial land



"Strict environmental laws that the BC Government implemented two years ago are miring developers in red tape and excessive costs while raising fears that some of the region's scarce industrial land will never be redeveloped and used to its full potential.

"One of the central tenets in Metro Vancouver's regional growth strategy, which 24 regional governments ratified last year was to protect and get maximum use out of the region's 28,246-acre industrial land base [...]"

Business in Vancouver



Complexity of Brownfield Redevelopment





Study Context: Langley's OCP

"encourage the intensification of development and use of the industrial lands in order to maximize employment and location benefits."

City of LangleyOfficial Community Plan (OCP):Industrial Development



OFFICIAL COMMUNITY PLAN BYLAW, 2005, NO. 2600

7.0 INDUSTRIAL DEVELOPMENT



Ipex Plant on Duncan Way

The 2003 Industrial Land Use Study recommended:

- Conversion of Fraser Highway properties to commercial use
 Phasing out heavy industrial uses
- Amend industrial zones to allow broader range of uses
- Special policies & guidelines for Production Way/56 Ave. corridor
 Design guidelines for office intensive.
- Design guidelines for office-intensive developments

Specific land use and development policies for designated industrial areas are provided in Section 14.7.

7.1 Background

Large scale industrial development in the City began in the late 1960's with the construction of Langley Bypass and the relocation of the railway to its current alignment. Most of the City's industrial development was coordinated by BC Hydro and formed part of what was then called "Langley Industrial Centre". The original land base for this large contiguous industrial estate has, since the 1980's, been eroded as parcels along Langley Bypass, 200 Street and Fraser Highway have gradually been redeveloped for commercial uses.

The City of Langley's 2003 Industrial Land Use Study identified 86 hectares (213 acres) of industrial land developed with 238,000 m² (2,568,000 sq ft) of floorspace and employing 2,200 people. City Council endorsed the Industrial Land Use Study in 2003 and adopted zoning and Official Community Plan amendments to implement its recommendations in 2004. This plan maintains the policy directions established by the Study.

7.2 Policies

Policy 7.2.1

Maintain a core of industrial land as shown in the Land Use Designation Map (Schedule "A") to ensure the City's economic diversity and vitality.

Policy 7.2.2

Encourage the intensification of development and use of the industrial lands in order to maximize employment and taxation benefits.

Policy 7.2.

Protect the provision of railway access as a vital service for manufacturing industries.

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Study Context: Langley's ED Strategy

- No other land inventory
- Need to reuse
- Economical to reuse infrastructure
- Goal: Compact Community

"Prepare a Brownfield Renewal Strategy that is able to identify areas that are either unused or under-utilized and may have some degree of environmental contamination. The city does not have an inventory of greenfield sites so the conversion and reuse of existing developed properties is the only source of future **development properties.** The process of brownfield redevelopment and reuse is a viable economic development objective as it can often be accomplished by using existing infrastructure. A brownfield strategy would also complement the Downtown Master Plan to meet broader community development goals. "

City of Langley
 Economic Development Strategy



OCP and Zoning Implications

Current State:

- Why bother redeveloping?
 - Requires owner motivation and incentives
- Why move my business?
- Where can my business relocate to?
- Can initiatives help / expedite land use change



BROWNFIELD REDEVELOPMENT: Barriers to Redevelopment

- Site Evaluation and Remediation Costs
- Time to Remediate Land & Receive Certification
- Uncertainty about Site Contamination
- Marginal Increase in Land Value
- Relocation Challenges
- Access to Capital



Federal Government Funding

- **Green Municipal Fund** (GMF) up to \$350,000 for brownfield feasibility studies and field tests.
 - Closed until 2014
 - 2012-2013 GMF will provide \$6.0 Million in funding for projects
- Sustainable Development Technology Canada:
 - Leading edge brownfield projects could receive 33% to 50% of eligible project costs (technology based)
- Federal Gas Tax Fund
 - Provides funding to municipalities to allocate to green initiatives based on population. Brownfields that reduce CO2 emissions are eligible.





Provincial Government Funding

- Annual funding program for initial stages of site renewal
 - Aims to reduce risk, cost, and uncertainties to land owners
 - 2012 funded 24 projects at a total of \$1.64 million
 - Applications open in mid-April, rewarded end of May
- BC Infrastructure up to \$10,000 for sustainable development including Brownfield Revitalization
 - Preliminary Site Investigations, up to 85% of eligible project costs or \$40,000, whichever is less
 - Detailed Site Investigations, up to 70% of eligible project costs or \$125,000, whichever is less
 - Other environmental investigations or related environmental activities, up to 50%, or \$125,000, whichever is less.



Provincial Government Funding

Eligible Activities and Maximum Provincial Contributions under the Brownfield Renewal Funding Program

* Maximum funding provided for each application is based on the lesser of either the maximum dollar amount of the maximum percentage of the activity for which funding is requested.

HST for eligible costs will be reimbursed and will not be calculated as part of the awarded amount.

| Eligible Activities for Funding | | Type of Activity | Maximum Provincial Contribution (%) ^ | Maximum Provincial Contribution (\$)^ |
|---------------------------------|---|-----------------------------|--|--|
| a. | Preliminary Site Investigations (Stage 1 and 2)* | | 85% | \$40,000 |
| b. | Detailed Site Investigations | E S | 70% | \$125,000 |
| d. | Analysis and interpretation, including tests, sampling, surveys, data evaluation, risk assessment (human and ecological); Evaluation of alternative methods of remediation; Preparation of a remediation plan, including a plan for any consequential or associated removal of soil or soil relocation from the site; | Environmental | 50% | \$125,000 |
| f. | Investigation and classification of on-site wastes not associated with environmental media (soil, sediments, surface water, groundwater, air/vapour, animals and plants), to determine their status under the Hazardous Waste Regulation and the <i>Environmental Management Act</i> for the purposes of deciding on appropriate management (e.g., asbestos, lead based paint, PCB-containing lamp ballasts, etc.) Removal of above ground and underground petroleum or chemical storage tanks; and | ed Environmental Activities | 50% | \$125,000 |
| | Quality assurance activities such as verification sampling, analysis and monitoring related to items (f) and (g) above. efined in Chapter 53, section 41 of the BC Environmental | Other Related | (| THE PLACE TO BE |



FCM & BC Funding Programs

| Project Phase | FCM/GMF | BC Brownfield Renewal Funding Program | |
|------------------------------------|------------------|--|--|
| Planning | Grant | BC Government Grants (not directly brownfield related) | |
| Assessment/ Investigation | Grant | Grant | |
| Risk Assessment/ Remediation | Grants/Loans | Grant (risk assessment only) | |
| Redevelopment | Grants and Loans | N/A | |



Municipal Tools

- Establish a Municipal Development Role
- Blanket Preliminary Contamination Risk Assessment
- Tax Exemptions
- Prioritize Brownfields in the Planning Process
- **Detailed Site Inventory**
- **Promoting Interim Uses**
- Rezoning / Zoning Text Amendments



Recommendations for City of Langley

City of Langley Initiatives

- Adjust policies to encourage growth
 - Amend OCP for a wider range of uses,
 as per RGS, on transitional industrial sites
 - Expedited approval processes
 - City funded grants for brownfield renewal projects
- Up zone sites
 - Select sites for redevelopment
 - Re-zone site prior to any interest in redevelopment (203rd Street)
 - Ex: Industrial
 Mixed Use Development (RGS)
 - Reduced approvals cost and increases certainty to development community





Success: Coast Hotel & Convention Centre





Success: Langley Power Centre





Success: Fraser Crossing



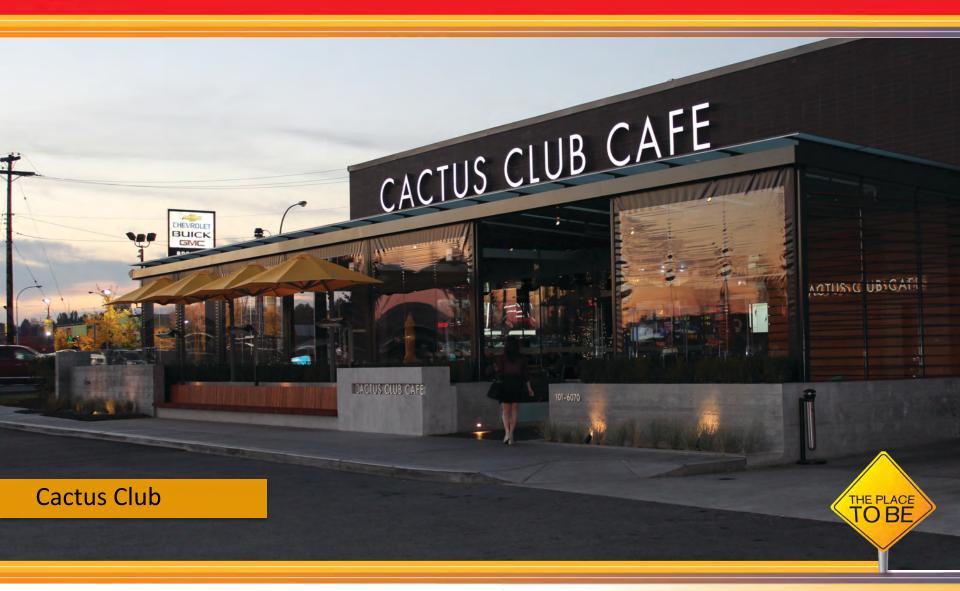


Success: Multi-Family Residential





Success: Cactus Club





Success: Acura Dealership





CITY OF LANGLEY:

"Thank you!"

