

1. HICKORY STREET REMEDIATION REMISE EN ÉTANT DE LA RUE HICKORY
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COMMITTEE RECOMMENDATION

That Council authorize the Director, Corporate Real Estate Office to enter into an agreement to remediate the Hickory Street Right of Way between Champagne Avenue and the Light Rail Transit Corridor, as outlined in this report.

RECOMMANDATION DU COMITÉ

Que le Conseil autorise le directeur, Bureau des biens immobiliers municipaux, à conclure une entente pour la remise en état de l'emprise de la rue Hickory, entre l'avenue Champagne et le couloir du train léger sur rail, comme indiqué dans le présent rapport.

DOCUMENTATION/DOCUMENTATION

1. General Manager's report, Infrastructure and Economic Development Department, dated June 23, 2021 (ACS2021-PIE-CRO-0011)

Rapport du Direction générale, Direction générale de la planification, de l'infrastructure et du développement économique, daté le 23 juin 2021, (ACS2021-PIE-CRO-0011)

**Report to
Rapport au:**

**Finance and Economic Development Committee
Comité des finances et du développement économique
6 July 2021 / 6 juillet 2021**

**and Council
et au Conseil
7 July 2021 / 7 juillet 2021**

**Submitted on 23 June 2021
Soumis le 23 juin 2021**

**Submitted by
Soumis par:
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Ward: KITCHISSIPPI (15)

File Number: ACS2021-PIE-CRO-0011

SUBJECT: Hickory Street Remediation

OBJET: Remise en état de la rue Hickory

REPORT RECOMMENDATION

**That the Finance and Economic Development Committee recommend that
Council authorize the Director, Corporate Real Estate Office to enter into an**

agreement to remediate the Hickory Street Right of Way between Champagne Avenue and the Light Rail Transit Corridor, as outlined in this report.

RECOMMANDATION DU RAPPORT

Que le Comité des finances et du développement économique recommande au Conseil d'autoriser le directeur, Bureau des biens immobiliers municipaux, à conclure une entente pour la remise en état de l'emprise de la rue Hickory, entre l'avenue Champagne et le couloir du train léger sur rail, comme indiqué dans le présent rapport.

BACKGROUND

The property known as 140 Hickory Street was used for bulk fuel storage, going back as far as 1915, initially by F.W. Argue Ltd, and later by Suncor Energy Products Inc./Sunoco Inc (Suncor). In 1987 it was identified that activities on the site had environmental impacts on the Hickory Street Right of Way between Champagne Avenue and the Light Rail Transit (LRT) Corridor and the surrounding property at 855 Carling Avenue, owned by Campbell Steel and Ironworks Limited (Campbell Steel). Campbell Steel now controls both 855 Carling Avenue and 140 Hickory Street (owned by Hickory Developments Ltd). Environmental remediation of these two properties took place through 1999 to 2000. Approximately 30,000 tonnes of impacted soil were removed from the site, however, only portions of the Hickory Street road allowance were remediated at that time. The City has been working with Suncor to monitor and manage the remaining contamination. Recent investigations demonstrate that the previously remediated portions of Hickory St. have elevated levels of petroleum hydrocarbons, and it appears this may have extended onto the Campbell Steel properties.

Through investigations to support the development by SOHO Champagne 2 Limited Partnership of 115 Champagne Avenue, (SOHO) additional impacts from the fuel storage operation were identified on that site as well. Through the development review process, SOHO will be required to remediate their site and install a barrier to prevent any further contamination onto the property from the Hickory Street Right of Way.

DISCUSSION

With the knowledge that the SOHO development was proceeding, in March of 2021, the City was approached by Campbell Steel with a concept to remediate the entire Hickory Street Right of Way in concert with the remediation work for SOHO. As well, Campbell

Steel indicated their intent to further remediate their site, thereby reducing or eliminating the potential for further recontamination of the Campbell Steel Site or SOHO from contamination within the Right of Way. Initial investigations by Campbell Steel indicated the costs to undertake this remediation would be equal or less than the combined cost for both SOHO and Campbell Steel to install barriers. Such action would have the environmental benefit of addressing the contamination within the right of way, once and for all.

Further investigations have been completed by Paterson Consultants (for SOHO) and GHD Environmental (for Campbell Steel) and reviewed by technical staff in the City's Environmental Remediation Unit and Suncor. A Remediation Action Plan has been completed for Hickory Street that calls for the removal of 1,600 to 3,200 cubic metres of impacted soil from the Right of Way for disposal at the Trail Road Landfill. The plan also calls for 3,300 cubic metres of clean soil to be stockpiled on a City owned site nearby to be reused during the re-instatement. The 1,400 cubic metres of potentially impacted stone will also be removed from site and stockpiled. If testing demonstrates that it can be reused as aggregate, it will be used for reinstatement, if not the stone will be either washed and reused or disposed of at an approved facility.

The remedial works for the right of way, not including any works on the Campbell Steel or SOHO properties are estimated to cost \$1,440,000. Under the proposed agreement, the City would not be responsible for the cost of performing the work. However, to facilitate the remediation of the Right of Way, the City is being asked to accept the impacted fill from the City's Right of Way at the Trail Road Land Fill at no charge to the other parties. The Parties would pay tipping fees for the soil removed from their respective properties. The City is also being asked to provide a site for the stockpiling of non-impacted soil, and rock from the Right of Way as outlined above. The vacant site, previously used for LRT construction staging, at Bayview Yards is being reviewed as a candidate site. If that site is ultimately selected, the City would impose restrictions that would limit access to the site from 8:00am to 7:00 PM Monday through Friday. The work will be conducted by SOHO's contractors. If approved by Council, an internal transfer of approximately \$60,000 will be taken from the City's Environmental Remediation Unit's approved 2021 operating budget to Solid Waste Services to offset the tipping fees. The actual amount will depend on actual soil volumes. No additional funding is being requested. All other typical permits, such as a roadcut permit and/or fees will be required.

While the required budget has been approved, staff require Council's authority to enter into this agreement. The Delegation of Authority By-law (2020-360) provides authority

to the Director of the Corporate Real Estate Office to enter into agreements related to remediation of the right of way, only where all City costs are covered by other parties. As there will be costs to the City to dispose of these soils at Trail Road, Council approval is required.

While this agreement has not yet been finalized, staff believe this proposal represents a fair arrangement for all parties (SOHO, Campbell Steel Suncor and the City), with good value for our taxpayers. As SOHO is anticipating starting construction this summer, an agreement will need to be finalized within the coming weeks in order this project to benefit from proceeding in coordination with the planned construction.

As the work will be completed in concert with the remediation and construction at 115 Champagne, it is anticipated that the project will take up to eight months before reinstatement is complete. While this section of Hickory Street is a dead end and serves little function for vehicular traffic, staff recognise the importance of this connection to the Hickory Street pedestrian bridge over the LRT corridor. There will be a period of time when remediation work at 855 Carling Avenue, 140 Hickory Street, the Hickory Street Right of Way and 115 Champagne may all be underway at the same time. While this will result in a potential detour of 340 metres around the existing condo building to reconnect to the Hickory Street pedestrian bridge (versus the existing 70 metres direct connection), many users will instead opt to simply connect to the Multi Use Pathway that runs along the east side of the LRT at either Beech Street or Carling Avenue. Initial discussions related to the potential to locate a direct connection on Campbell Steel's property have taken place. As negotiations and construction schedules continue to advance, opportunities to preserve a direct connection will continue to be pursued with SOHO and Campbell Steel.

RURAL IMPLICATIONS

There are no rural implications.

CONSULTATION

No public consultation has been undertaken. Standard notification through the Roadcut Permit Process will be followed.

COMMENTS BY THE WARD COUNCILLOR

Councillor Leiper is aware of this report.

LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendation outlined in this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications associated with the recommendations in this report.

FINANCIAL IMPLICATIONS

Funds are available in the 2021 PIED-CREO Environmental Remediation operating budget (Cost Center 171308, Account 502663).

ACCESSIBILITY IMPACTS

While this report only deals with the authority to enter into an agreement, ultimately there will be a construction component that may result in a detour for pedestrians and cyclists, including those with disabilities or seniors that would increase the distance from the intersection of Champagne Avenue and Hickory Street to the pedestrian bridge over the light rail corridor from 70 metres to 340 metres. This could be in place for up to eight months. Depending on the ultimate destination, some users will choose to stay on roads and sidewalks to connect to the multi use pathway at Beech Street or Carling Avenue.

ENVIRONMENTAL IMPLICATIONS

The staff recommendation will enable the City to address a long standing environmental concern within the Hickory Street right of way by eliminating contamination and disposing of it in an appropriate manner.

TERM OF COUNCIL PRIORITIES

This project addresses the following Term of Council Priority:

- **Environmental Stewardship:** Grow and protect a healthy, beautiful, and vibrant city that can adapt to change

DISPOSITION

The Director, Corporate Real Estate Office with the Environmental Remediation Unit will continue to negotiate an agreement. Once satisfied the Director, Corporate Real Estate Office will enter into an agreement with any or all of the following parties to implement the remediation of the Hickory Street. Right of Way: Campbell Steel & Ironworks Limited; Suncor Energy Products Partnership; SoHo Champagne 2 Limited Partnership, SoHo Champagne 2 GP Inc., Hickory Developments Inc..