



TO: **GENERAL COMMITTEE**

SUBJECT: **AUTHORIZATION FOR INCLUSION OF CITY LANDS FOR DEVELOPMENT APPLICATION AND EXPLORATION OF UNDERGROUND PARKING STRUCTURE – 155-157 DUNLOP STREET EAST**

WARD: **2**

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SUBMITTED BY: **S.SCHLICHTER, DIRECTOR, BUSINESS DEVELOPMENT**

GENERAL MANAGER APPROVAL: **Z. LIFSHIZ, EXECUTIVE DIRECTOR, INVEST BARRIE**

CHIEF ADMINISTRATIVE OFFICER APPROVAL: **M. PROWSE, CHIEF ADMINISTRATIVE OFFICER**

RECOMMENDED MOTION

1. That HCA Architecture Incorporated Architects. on behalf of the Developer of 149-153 Dunlop Street East be authorized to submit a development application for a downtown hotel/condominium development that includes the City's property at 155-157 Dunlop Street East (Sam Cancilla Park) in order to explore a 'park over parking' solution that would achieve improvements to Sam Cancilla Park and foster a strategic development in the downtown.
2. That any planning applications submitted by the Developer that include the City's lands, be at the Developer's own expense and with the understanding that any development application will be considered on its own merits and no approval is being implied by agreeing to include City property in an application.
3. That the City Clerk be authorized to execute any documents to provide such authorization.
4. That any exploration of the City's property for including a 'park over parking' model, be conducted in alignment with the following principles:
 - a) The City retain ownership of 155-157 Dunlop Street East (Sam Cancilla Park) and any consideration for utilization of the property be for the sub-surface (underground) of the park and for lease only;
 - b) The property surface (Sam Cancilla Park), be preserved as public open space and the Kiwanis Pavilion remain a feature of the park;
 - c) Engagement be initiated between the Developer, the City and the existing public consultation process on the park design for Sam Cancilla Park to ensure a collaborative approach to improvements to Sam Cancilla Park that achieves a shared vision for Sam Cancilla Park;
 - d) The City achieving fair market value or equivalent for leasing; and

- e) Exploration of the 'park over parking' solution to include opportunities to improve overall grade of Sam Cancilla Park, access/connections to North Shore Trail, aesthetic or use improvements to Sam Cancilla Park, adaptive re-use of the reservoir underground, retaining existing buildings within Sam Cancilla Park (pump house), and other benefits that may be identified.
- 5. That staff in Business Development report back to General Committee upon completing the exploration to use of the City's sub-surface property for lease for a 'park over parking' model with a recommendation on its viability to be utilized for a 'park over parking' model and associated next steps.

PURPOSE & BACKGROUND

Report Overview

- 6. The purpose of this Staff Report is to seek approval for the inclusion of City-owned lands at 155-157 Dunlop Street East (Sam Cancilla Park) in a future development application for a downtown Hotel and Condominium on adjacent property located at 149-153 Dunlop Street East with the intent of exploring opportunities to facilitate a strategic development in the downtown, and improvements to Sam Cancilla Park.
- 7. In order to include the City-owned lands in a development application, the City would be required to be listed as a co-applicant on any planning applications for the proposed development.
- 8. The City of Barrie has held a long-standing vision for a hotel development in the downtown core. This sentiment has been captured in many long-term vision plans and City initiatives, including the Downtown Commercial Master Plan, dating back to 2006.
- 9. The City has an opportunity to achieve this vision for a downtown hotel at 149-153 Dunlop Street East. The Developer of the site has a long-term history in hotel development and downtown hotel development with a global brand, and they have been looking at the Barrie market as an opportunity to provide a downtown hotel presence in conjunction with a residential condominium component.
- 10. The name of the hotel brand identified for the site remains confidential until such time as the Developer has completed development of the site. This is a requirement of the Developer's arrangement with the hotelier.
- 11. The Developer has acquired 149-153 Dunlop Street East and is currently in process of preparing their development applications for the property. They have been engaged with the City and have proceeded through the pre-consultation process, which is managed by staff in Planning Services. At this time, the Developer is proposing to construct an 18-19 storey hotel/condominium with ground floor commercial space and amenity uses complimentary to a hotel use.
- 12. The property proposed for the hotel/condominium development is currently zoned C1-1, which permits both uses and has a current height maximum of 30m, or approximately 10 storeys. The building would be constructed solely on the privately-held land and subject to the City's planning process and assessment of the development based on the City's planning policies, including public consultation and Conservation Authority approval.
- 13. A viable and sustainable business plan for a hotel in the downtown core, a development plan needs to ensure there is enough parking available for hotel patrons and patrons of the commercial elements of the development, as well as residents, of the residential condominium component.

14. The proposed development includes the requisite residential parking on site, but due to the lot size, configuration and proximity to the water and public spaces, alternative parking options need to be considered to provide adequate parking that supports the hotel. As such, consideration for a 'park over parking' model that provides an underground parking area, spanning beneath the hotel and Sam Cancilla Park is being proposed.
15. This solution could leverage the City's infrastructure already located underneath the park, which is a large, concrete, de-commissioned reservoir. In addition, this proposal delivers improvements to the surface of Sam Cancilla Park beyond what could be achieved within the City's traditional municipal program for park improvements and associated budget.
16. While more investigation is to be undertaken to determine the exact configuration of a parking structure under the park, preliminary estimates have identified approximately 100-200 parking spaces could be accommodated.
17. Preliminary investigation into the 'park over parking' model acknowledges the history of Sam Cancilla Park and prior development applications on the 149-153 Dunlop Street East that contemplated the sale of a portion of the Park to facilitate development of the property.
18. Specifically, staff have sought to reflect the public's view of the utilization of the site by supporting that Sam Cancilla Park remain a public park and preserve public ownership of the parkland by contemplating only an option to lease the underground (sub-surface) component.
19. In addition, the City is currently undertaking a public consultation project regarding potential improvements to Sam Cancilla Park, which presents an opportunity to develop a collaborative approach to identifying improvement opportunities, and including them as part of the Developer's commitment to the project.

ANALYSIS

20. There are several components of the concept that are required to be further assessed to determine the viability of utilizing the sub-surface of Sam Cancilla Park to support additional parking for the proposed hotel/condominium development on 149-153 Dunlop Street East.

Lease Considerations

21. 'Park over parking' is an urban practice where multiple priority demands on real estate exist. Several case studies are being reviewed by Staff to inform a model of considerations and best practices for the City of Barrie. Case studies may include:
 - a) Ontario Square, Toronto
 - b) Nathan Phillips Square, Toronto
 - c) Village of Yorkville Park, Toronto
 - d) Post Office Square, Boston
 - e) Grant Park, Chicago
 - f) Willoughby Square, Brooklyn, NYC
 - g) Washington Park, Cincinnati
 - h) Ellis Square, Savannah, GA
 - i) Director Park, Portland OR
22. In order for the underground (sub-surface) of Sam Cancilla Park to be considered for lease, a strata reference plan must be developed that clearly defines the sub-surface area and creates a legal property description for the purposes of leasing the underground parking structure.

23. The City's By-law related to leasing City-owned property requires that any property being considered for lease be declared surplus. As such, the sub-surface area of the Park would be required to be declared surplus for the purposes of leasing to the Developer. The surface of the Park would not be declared surplus, and the entire Park parcel will remain in the City's ownership in perpetuity.
24. Value of the lease and contract terms related to the leasing of the City's property would also be evaluated as part of the exploration stage identified in the recommended motion.

Enhancements to Sam Cancilla Park

25. The construction work necessary to create underground parking would involve short-term disruption to Sam Cancilla Park. Once work is completed, the Developer would be required to reconstruct the park, which provides the City with opportunity to seek improvements to the Park that could not otherwise be contemplated within the traditional municipal park improvement programs.
26. The installation of an underground parking structure would provide consistent grading for Sam Cancilla Park that would align with street level along Dunlop Street East as well as improve access and connections to the North Shore Trail and waterfront. This improvement would not be possible within the current City of Barrie budget for this park.
27. Sam Cancilla Park would remain a public park named in honour of 'Sam Cancilla' and would continue to be operated by the City of Barrie. The Kiwanis Pavilion would be safely relocated and stored during construction, and then returned to site to remain at the park and open for public use. Staff would also explore the adaptive re-use of the pump house building also located on the site.
28. It is expected that additional considerations for Park improvements would be determined as part of the City's public consultation project regarding potential improvements to Sam Cancilla Park through the Engineering Department and could include;
 - a) Landscape works in the park and streetscape improvements along Dunlop Street East;
 - b) Opportunity to bury hydro lines in front of the park;
 - c) Increased park functionality and programming opportunities;
 - d) Inclusion of aesthetic elements such as floral gardens, fountains, and public art, and;
 - e) Public parking within the underground structure for patrons of the Park.
29. Financial contributions to the improvements to the Park would be determined as part of the overall development application review and the exploration of the 'park over parking' model for the site and could consider lease revenues, any applicable community benefits related to the development under Section 37 Bonusing Policies, parkland dedication fees and the City's existing budget for park improvements.

Downtown Revitalization

30. As Simcoe County's only designated Urban Growth Centre, a downtown hotel will provide the City with a wealth of benefits, including;
 - a) Revitalize Barrie's downtown;
 - b) Draw long-term tourism to local shops, restaurants and entertainment;
 - c) Potentially innovative & adaptive re-use of an abandoned City reservoir for underground parking, if determined feasible;
 - d) Attract new businesses and provide current business owners downtown accommodations to host their clients;

- e) Provide employment opportunities; and,
- f) Create an anchor and gateway on the east side of downtown that compliments the development of Meridian Square in central downtown and the potential Fisher project at the west side of downtown.

Planning Matters

- 31. The planning process related to the ultimate built-form of the development and other planning related matters will be addressed and reviewed independently as part of the Planning and Building Department's Development Application Review process. Allowing Sam Cancilla Park to be included as part of the development application process will allow Staff to explore parking and park improvements on the City's property based upon the principles identified in the recommended motion for a 'park over parking' model.

Community Engagement

- 32. Staff are committed to ensuring communication and engagement with the community as part of the exploration and development application review process. Within the City's planning processes, neighbourhood and public meetings will provide an opportunity for public engagement, and information will be available on the City's website once a development application is received. The current public consultation process being undertaken by Engineering Services related to visioning Sam Cancilla Park will also provide opportunity to obtain community feedback.

ENVIRONMENTAL MATTERS

There are no environmental matters related to the recommendation.

ALTERNATIVES

- 33. The following alternatives are available for consideration by General Committee:

Alternative #1

General Committee could choose to not permit the City's property to be included in the proposed development application for 149-153 Dunlop Street East for the purposes of exploring improvements to Sam Cancilla Park and underground parking.

Staff does not recommend this option for a number of reasons:

- a. Supporting a hotel development in the City Centre achieves a longstanding vision for a hotel in the downtown;
- b. A 'park over parking' solution presents an innovative opportunity for the City to leverage its infrastructure to support a signature development in the downtown, and achieve park improvements to a key waterfront park that would not necessarily be achievable within the City's traditional park improvement programs;
- c. Create an anchor and gateway on the east side of downtown that compliments the development of Meridian Square in central downtown and the potential Fisher Auditorium project at the west side of downtown.

A viable and sustainable business model that supports a hotel in the downtown core requires a development plan that provides adequate parking to support hotel patrons and patrons of the commercial elements of the development, as well as residents, who will positively contribute to the vibrancy and economic activities in the downtown.

In order for the Developers to include the City's property as part of their development application and for staff to continue to pursue improvements to Sam Cancilla Park, authorization from Council is required.

FINANCIAL

34. Although the City's lands would be included as part of the development application for 155-157 Dunlop Street East, the Developer of the site will be responsible for all fees associated with any Planning applications.
35. As Staff are still in the initial stages of this concept, as part of the exploration of the opportunity, a thorough financial analysis related to lease opportunities, park improvements and any additional financial considerations will be undertaken and presented to General Committee in the follow-up report.
36. Development fees associated with hotel/condominium would be estimated at time of the development application.

LINKAGE TO 2014-2018 STRATEGIC PLAN

37. The recommendation(s) included in this Staff Report support the following goals identified in the 2014-2018 Strategic Plan:
 - ☒ Vibrant Business Environment
 - ☒ Inclusive Community

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38. Exploring a 'park over parking' model in to facilitate the development of a hotel in the downtown, supports the City's vision and downtown revitalization goals through the achievement of a downtown hotel, and is aligned with the Government of Ontario Places to Grow policies, the City's Official Plan.
 39. Enhancing the presence of Sam Cancilla Park within the community, promotes greater community connection to the park and the waterfront.

APPENDIX "A"

Subject Properties

