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Date	December 8, 2020	<b>Report No.</b> 2020-477	
То	Chair and Members Committee of the Whole		
From	Brian Hutchings Chief Administrative Officer		
1.0	Type of Report	Consent Item Item For Consideration	[ [x
2.0	Topic Downtown Brantford Colborne Point – Offering of Lands [Financial Impact – None]		

#### 3.0 Recommendation

- A. THAT Report No. 2020-477, entitled "Downtown Brantford Colborne Point Offering of Lands", BE RECEIVED; and
- B. THAT Staff BE DIRECTED to proceed with Option 1, being the issuing of a Request for Expressions of Interest (RFEOI) for the Colborne Point lands, as further described in Section 8.0 of Report No. 2020-477, and;
- C. THAT an Evaluation Committee BE ESTABLISHED for the purposes of evaluating responses to the Colborne Point RFEOI consisting of the Mayor, both Ward 5 Councillors, the Chief Administrative Office, the General Manager of Public Works, and the General Manager of Community Development, with support from the Purchasing Division and Legal and Real Estate Services, and;
- D. THAT the Manager of Real Estate BE DIRECTED to report back to Council following the results of the evaluation of responses to the

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> Colborne Point RFEOI with a recommendation regarding next steps in the disposition and development process for the Colborne Point lands.

# 4.0 Purpose and Overview

This purpose of this report is to provide an overview of the approach, proposed process, and required resources necessary to complete the disposition process for the vacant City-owned lands located on the south side of Colborne Street adjacent to the YMCA/Laurier Facility (herein after referred to as the "Lands" or Colborne Point) which process is intended to ultimately guide the redevelopment of the property.

# 5.0 Background

During the 2019 City of Brantford budget deliberations, Brantford City Council adopted the following recommendations of the Estimates Committee:

THAT Staff BE DIRECTED to prepare the lands on the south side of Colborne Street, being approximately 1.6 acres, for sale, and, as part of the preparation for this sale, to complete all of the following:

- undertake an evaluation of the feasibility and advisability of including the lower portion of lands (bisected by Water Street) and a portion of Water Street in the parcel to be sold;
- prepare a draft RFP for consideration by Council;
- complete the survey work for the properties utilizing external resources, to be funded from Council Priorities.

In response to the above-noted direction from Council, staff completed an evaluation of the feasibility and advisability of including the lower portion of the Lands (bisected by Water Street) and a portion of Water Street in the parcel of land to be sold. Staff concluded that both of these additional parcels should be included in any disposition of the larger parcel of land fronting onto Colborne Street, while reserving various easements for City services/infrastructure within those parcels (gas, sanitary, communications, etc.). These parcels are more valuable when combined with the larger parcel and have little to no independent development potential.

An application to consolidate the various parcels that, collectively, make up the Lands was completed and submitted to the Land Registry Office for approval earlier this year. The City received confirmation from the Land Registry Office on

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May 13, 2020 that the application to consolidate had been certified and a new Property Identification Number had been created.

The final survey of the Lands, including the additional lower parcels, is nearing completion and will be registered in the near future.

The remainder of this report addresses the second bullet point set out in the Council direction above, namely the preparation of a Request for Proposals for consideration by Council.

# **6.0** Corporate Policy Context

This report is in keeping with the City of Brantford Council Priorities approved October 15, 2020, specifically the following:

#1 Desired Outcome "All neighbourhoods in the City are safe, vibrant, attractive, and inclusive."

# 7.0 Input from Other Sources

Input into this report was received from staff from Economic Development, Public Works (specifically Engineering Services), Community Development, the Purchasing Division of Finance, and the CAO.

# 8.0 Analysis

The revitalization of downtown Brantford has been identified as a priority for City Council. Recognized as a key development site and gateway to the downtown, the development of the Colborne Street/Icomm Drive corner, also known as Colborne Point, is critical to the revitalization of the City's downtown. The prominence of the site, as well as the views afforded of the Grand River, suggests that the architecture must be of a high quality.

# 8.1 Description of the Lands - Colborne Point

The Lands are shown within the City's Official Plan as being part of the Downtown Urban Growth Centre, which has been planned to achieve an overall minimum density of 150 residents and jobs combined per acre by 2031. This Provincial designation carries forward in the City's new Draft Official Plan which states that the Urban Growth Centre is to be "the cultural, entertainment, and administrative heart of the City, a key shopping district, and a destination for students, residents, tourists and businesses."

The Official Plan envisions that development within these Lands will be focused on mixed-use residential and commercial development, with a minimum building height of 3 storeys. Ground floor uses along Colborne Street would ideally include restaurants, cafes and retail uses. Parking is to be incorporated at the ground floor level along Icomm Drive and not extend beyond the edges of the building footprints. Public space, including connectivity to Icomm Drive and the trails located along the Grand River and the lower downtown area are also envisioned.

#### **Site Details**

The Lands are composed of parts 1, 2, 3, 4 and 6. Parts 1 and 6 front onto Colborne Street and feature a significant slope towards Water Street. Parts 2, 3 and 4 are the lower lands along Water Street and Icomm Drive. Parts 5 and 7 are to become part of Icomm Drive, and will be consolidated with existing adjacent lands in a by-law to officially dedicate those lands as Icomm Drive. Part 8 will be retained for future widening of the Colborne Street right of way. The most easterly portion of the Lands presents an ideal location for public art and could be a component of future development of public space within the site.

Parts 2, 3 and 4 contain several existing sewer lines, telecommunications equipment, and gas main services. Staff anticipate that easements will be required to protect the infrastructure; however there may be potential for the developer to relocate utilities/infrastructure to maximize the developable portion of the lands. The following is an approximation of the area of each part comprising the Lands and does not represent the total developable area of the Lands.

Parts on Plan	Areas
Parts 1 and 6 – Upper Hill Lands along Colborne Street	1.44 acres
Parts 2, 3 and 4 – Lower bowl lands along Icomm.	.72 acres
Total Area	2.16 acres

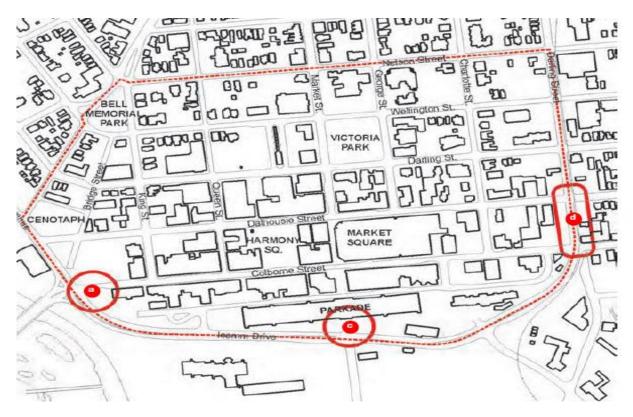


Please note that the overall area of the Lands may be decreased based upon any desired gateway feature or municipal needs, and the overall size of the parcel to be disposed of by the City will not be known until such time as the final survey is complete.

# 8.2 Potential Design/Development Features

## **Gateway Feature**

As shown on the diagram below, three areas have been identified as Gateway feature locations in the City's Downtown Master Plan. A portion of the Lands shown as A on the sketch below identifies a key gateway location into the downtown core. According to the City's Downtown Master Plan, "gateways define specific entry points into the Downtown and are generally located at key intersections. Gateway treatments along main routes alert pedestrians, cyclists and drivers that they are entering a core area of the City."







# 8.3 Disposition Strategy

# Option 1 – Request for Expressions of Interest ("RFEOI") [RECOMMENDED]

In 2019, Council directed staff to prepare a Request for Proposals (RFP) for the Lands for Council's consideration following certain preparatory work such as parcel consolidation and survey work. This direction to staff was provided as a recommendation arising out of the Estimates process. No detailed analysis was provided for Council's consideration at that time; specifically, no details with respect to what conditions or criteria should form part of the RFP were included in the recommendation. In order to create an RFP, a significant amount of detail is required.

While real estate transactions are exempt from the Purchasing Policy and formal processes under that policy, including the RFP process, staff recommend that a similar but alternative approach be approved by Council for these Lands. This approach includes the issuance of a Request for Expressions of Interest as a preliminary step in the potential RFP process. This step delays the issuance of the RFP but does not delay the overall project, given that establishing detailed conditions, plans and criteria for the development of the lands would involve time and resources prior to the City issuing the RFP.

An RFEOI process has the added benefit of informing Council of the depth of the market interest in the Lands, and will assist in the creation of the ultimate RFP document. Rather than undertaking a detailed design or development analysis for the Lands in-house, the RFEOI process seeks input from the development community with respect to the best use of the Lands, taking into consideration guidelines provided by the City to inform submissions.

The RFEOI is not a binding process, in that Council is not required to select one proposal and negotiate with a specific developer. Additionally, Council is not required to move forward with an RFP if, after Expressions of Interest are evaluated, Council determines that another process may be better suited for the disposition or development of the Lands. Alternative processes are identified below, but have not been given a fulsome analysis by staff at this time.

Should Council accept staff's recommendation, a draft RFEOI has been set out at Appendix "A" to this report for Council's consideration and input. The RFEOI sets out the specific criteria to be met by respondents at Part C. The criteria were developed following a review of several key documents that were developed to inform and guide the development of the City's downtown. The criteria is meant to highlight factors that are important to the City and give respondents an idea of what the City is looking for in this feature development.

Specifically, the following documents were consulted in the development of the RFEOI:

# A. (Draft) Urban Design Manual – City Building & Placemaking Guidelines

The Urban Design Manual is intended to help the City achieve high quality urban design in both public and private spaces (among other things). The Manual includes many provisions relating to the potential development of the Lands, including the following (some of which has been paraphrased for the sake of brevity).

As one of the densest urban areas of the City, development within the downtown should include pedestrian-friendly designs and should accommodate mixed-use development with mid to high-rise buildings. Key to the Urban Design Manual is a vision for the downtown that includes high quality urban design, reflective of the importance of the downtown as a centralized gathering place for the City.

The Colborne Point Lands are identified as part of the Historic Mainstreets Precinct which should include an active street frontage animated by articulated building frontages, street landscaping and furniture, the use of high-quality building materials, and high activity at-grade uses (such as retail stores, institutional uses and restaurants).

The Lands also include the Lorne Bridge Gateway, which is defined by the intersection where Colborne Street East meets Colborne Street West, and Icomm Drive to the south connects to Brant Avenue to the north. This area serves as an important gateway to and from Downtown Brantford and connects the City's Historic Mainstreets Precinct with the Lower Downtown Precinct to the south. Access to, and views of, the area's parks, trails and the Grand River are important elements of this gateway. Within the gateway area, public art features, streetscape improvements, and development that accentuate the character of Brantford are encouraged.

#### B. New (DRAFT) Official Plan

The Colborne Point Lands are designated as a Strategic Growth Area within the City's new, draft Official Plan. The following provisions of the City's new, draft Official Plan were specifically addressed when developing the proposed, attached RFEOI.

Strategic Growth Areas have the potential to accommodate significant growth in an intensified built form, primarily within mid-rise and high-rise buildings. These buildings should include residential uses and/or employment in community or regionally scaled retail and service commercial uses, offices and institutional facilities. The Strategic Growth Areas also play a crucial role in defining the planned urban structure of the City, in supporting a successful transit system, and in achieving the City's intensification and density targets.

Strategic Growth Areas are intended to be flexible and responsive to land use pattern changes and demands. They permit a broad range of uses at different scales and intensities depending on the location within the City's urban structure. An appropriate mix and range of commercial, retail, office, institutional and residential uses at different scales and intensities will be encouraged and supported within Strategic Growth Areas.

## <u>Downtown Urban Growth Centre Designation – Land Use Plan</u>

The Downtown Urban Growth Centre is planned to achieve an overall minimum density of 150 residents and jobs combined per hectare by 2031. The Downtown Urban Growth Centre (UGC) shall be planned:

- i. To be the cultural, entertainment and administrative heart of the City, a key shopping district, and a destination for residents, students, tourists and businesses;
- ii. To promote economic revitalization within the context of historic preservation, recognizing the potential for adaptive re-use, redevelopment and intensification;
- iii. To be a great neighbourhood that accommodates a broad range of housing types and tenures for residents of all ages, and contributes substantially to a complete, healthy and sustainable community;
- iv. To attract investment in institutional uses, including postsecondary educational facilities, regionally-focused public services, as well as a full range of commercial, recreational, cultural and entertainment uses:
- v. To serve as a focus for major office employment that will attract provincially, nationally and internationally significant employers;
- vi. To include a hierarchy of urban park spaces in accordance with the Parks and Recreation Master Plan and include linkages to the Grand River, Mohawk Lake and Canal, and the City's multi-use pathway and trail network;
- vii. To act as a hub for local, regional and interregional transit, and to accommodate and support major transit infrastructure; and,
- viii. To provide the community services, amenities and infrastructure that will attract population and employment growth.

#### **Historic Mainstreets Precinct**

Submissions in the RFEOI process should also respect and reflect the policies for the Historic Mainstreets Precinct, which include the following:

a. Notwithstanding the list of uses permitted throughout the Downtown UGC, auto-focused uses such as drive-through facilities, automobile service centres and repair shops, and automobile dealerships shall be prohibited in the Historic Mainstreets Precinct. In addition, commercial uses requiring extensive storage areas such as retail warehouses and building supply and lumber yards shall be prohibited in the Historic Mainstreets Precinct.

- b. The design of buildings in the Historic Mainstreets Precinct shall enhance the quality of the pedestrian environment by:
  - i. Requiring articulated façades using quality materials and encouraging high activity uses at-grade, such as retail stores and restaurants, that animate the streetscape with window displays or outdoor patios; and
  - ii. Reinforcing the continuity of commercial, institutional and community uses along certain streets, by prohibiting any residential units from locating at-grade fronting Water Street, Wharfe Street, Colborne Street, Dalhousie Street, or Market Street. Residential units may be located at-grade along the rear or side façades of the buildings, or fronting King Street, Queen Street, George Street, Charlotte Street, or Clarence Street.
- c. Buildings in the Historic Mainstreets Precinct shall be a minimum building height of 3 storeys, or 10.0 metres, whichever is greater. The first 3 storeys of all buildings shall generally be required to reference the historic 3 storey building height in the Historic Mainstreets Precinct, either through architectural detailing, or with a building step-back beyond the 3rd storey, to the satisfaction of the City.

## C. <u>Downtown Master Plan</u>

The Downtown Master Plan provides a series of guidelines and proposals for the built form and open spaces that can be used by the City to guide the direction of development in the downtown.

The Downtown Master Plan lays out the following key guidelines for development within the downtown area:

- a) Residential as the primary use with ground floor uses along Colborne Street, eg. Restaurants, cafes and retail uses.
- b) Public realm, including a gateway plaza at the intersection of Colborne Street and Icomm Drive.

c) Setbacks from street edge to permit plantings and growth of street trees.

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d) Parking is to be discreetly located and ideally incorporated at the ground floor level along Icomm Drive.

## <u>Downtown Streetscaping Environmental Assessment</u>

The City is currently undertaking the Downtown Streetscaping Environmental Assessment (EA), which includes the right-of-way adjacent to these Lands. The EA will study the requirements for underground infrastructure upgrades to meet development demands, improving walkability, enhancing infrastructure for all modes of transportation, and increase pedestrian capacity.

## Marketing Strategy

In order to generate interest from a broad range of qualified developers, staff from Economic Development worked with Legal & Real Estate Services to develop an attractive marketing package for distribution in parallel with the RFEOI. This marketing package is attached hereto at Appendix "B" for Council's consideration.

#### **Evaluation Team**

Staff recommend that an internal evaluation team (the "Evaluation Committee"), consisting of the Mayor, both Ward 5 Councillors, the CAO, the GM of Community Development and the GM of Public Works be established to review submissions resulting from the RFEOI. Criteria to rank the submissions will be developed by the Evaluation Committee with assistance from Purchasing staff, to be used for an internal evaluation only. These criteria will not form part of the RFEOI document but will be used to guide the evaluation process.

Council may choose to direct staff to include additional criteria in the draft, proposed RFEOI at this time.

# 8.4 Alternative Options

As previously noted, given the fact that the direction to staff to prepare an RFP was given absent a fulsome report from staff with respect to alternative options, staff felt it was prudent to provide Council with a list of potential alternatives, should Council elect to proceed with the disposition of the Lands in a different manner.

While the following alternative options are being provided for Council's consideration, they have not been subject to an in-depth analysis at this time. Please note that certain options afford Council more or less control when it comes to the ultimate development of the Lands, and this is something Council will most likely wish to consider before proceeding with a specific disposition option. For that reason, both the benefits and constraints of the alternative options have been highlighted below.

## Option 2 – Request for Proposals

Council may direct staff to convert the RFEOI, attached at Appendix "A" into a more fulsome and formal Request for Proposals. As previously noted, this will require additional resources and time to fully develop, as well as input from Council with respect to what Council's priorities are for the development of the Lands. As noted above, staff recommend that the RFEOI process be used prior to the development of the RFP in order to canvas the market first and generate interest from qualified developers who have the expertise to create project proposals that reflect the vision of Council as set out in the various documents identified above.

**BENEFITS:** More direct approach to soliciting interest from the development community.

**CONSTRAINTS:** Time consuming to develop; requires resources to create a fulsome plan/criteria; more formal process lacking flexibility.

## Option 3 - Sale by Licensed Real Estate Agent

The Lands could be marketed to prospective purchasers through a two phase offering process, including a marketing phase and an offer to purchase phase. Prior to the marketing phase, staff would establish a set of requirements that will clearly define the City's vision for the property and any potential partnership for the buildout of the gateway feature.

Prospective purchasers would submit offers to purchase the Lands, which must meet all elements of the established requirements. Once all offers have been received, staff will review each offer and negotiate final offers that will be brought back to Council with a recommendation.

**BENEFITS**: This offering is not procurement, tender or an offer to enter into a binding contract; it is a commercial process for the disposition of lands. The agent will perform the following duties to ensure maximum exposure of the

property to attract a prospective purchaser that will work with the City and bring value and quality product to the downtown core.

CONSTRAINTS: Once the Lands are sold, there are a few mechanisms to compel a private land owner to develop the Lands according to Council's vision for Colborne Point. Planning instruments only provide a framework for development and allow a significant amount of flexibility in the ultimate design and development of the Lands. An option to repurchase the Lands would most likely be required to bind the developer to specific development criteria, which may make it more difficult for the developer to secure traditional financing. Restrictive covenants could also be registered to ensure that the new owner will not use the Lands in certain ways; however, restrictive covenants cannot contain positive obligations and have limits in terms of their effectiveness in situations such as this. Council may also find that placing too many restrictions on the Lands may act as a disincentive for developers from investing in the Lands.

## Option 4 - Land Lease with Ownership Options

The City could list the Lands for lease through a licensed real estate agent and negotiate for the lease of the lands with terms and conditions that would require the develop of the Lands in accordance with criteria established by Council. The lease would include an ownership option once the development criteria had been met.

**BENEFITS:** The City would retain ownership and control of the Lands during the development process, with some restrictions (rights of the Tenant), and could benefit from a regular income from the land (depending on the value any tenant would agree to). Offers flexibility to both parties and minimizes land costs of the developer.

**CONSTRAINTS:** The City might not get the highest value for the Lands. The City would also retain certain liability for the Lands, would be responsible for continuing costs (depending on the terms and conditions of the lease). If the Tenant is unable to fulfil its obligations, the City could find itself in the position of being the owner of a building that may or may not be fully constructed.

# Option 5 – Public, Private Partnership

The City may wish to explore opportunities to partner with a private company to develop the Lands, including the park/gateway feature.

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**BENEFITS**: This option would permit the City to exercise control over the development by bringing in a developer with the expertise to execute on the City's vision.

**CONSTRAINTS**: This would require a significant expenditure of both time, money, and resources on the part of the City and often results in complicated arrangements between the parties that must continue to be managed long after a private developer could have developed the Lands itself. The City is also required to wear two hats, one as the approval authority and one as the proponent of the project. These arrangements, while interesting, require a significant amount of work on the part of both parties.

# 9.0 Financial Implications

There are no financial implications arising from the recommendation set out in this report. The RFEOI process is not binding and does not require the City to accept any specific proposal for the purchase and development of the Lands.

#### 10.0 Conclusion

It would be difficult to overstate how important a well-developed and cohesive downtown is to the overall health and vitality of a city. Downtowns are typically the historic and symbolic heart of a community, and a reflection of a city's image, pride and prosperity. City Council has demonstrated a commitment to continuing with and building upon revitalization efforts in the City's downtown core, including working with organizations such as Wilfrid Laurier University, Conestoga College, the YMCA of Hamilton/Burlington/Brantford, and the Board of the Downtown Business Improvement Area, to name a few, to continually improve the streetscape and design of downtown Brantford.

These Lands present an excellent opportunity for Council to ensure the development of residential, commercial and public spaces are managed in a way that makes downtown Brantford a destination of choice to live, work, eat, shop, explore and play. To that end, staff recommend that a Request for Expressions of Interest be provided to attract proposals from qualified developers who are willing to invest in what could be a legacy project for this City.

Ron Gasparetto, Manager of Real Estate

Brian Hutchings, Chief Administrative Officer

Heidi de Vries, Director of Legal & Real Estate/City Solicitor

## Attachments:

Appendix "A" – DRAFT Request for Expressions of Interest Appendix "B" – Colborne Point Marketing Package

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required [] yes [X] no

Agreement(s) or other documents to be signed by Mayor and/or City Clerk [] yes [X] no

Is the necessary by-law or agreement being sent concurrently to Council? [] yes [X] no