Deloitte.

Evaluation of Strategic Alternatives for the Public Safety Building and Civic Centre Car Park

City of Winnipeg

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This report examines a range of alternatives for the Public Safety Building and Civic Centre Car Park to assist the City of Winnipeg in determining the best use for these City assets

A current state review was conducted that considered a number of existing properties owned and leased by the City of Winnipeg (the "City"), and identified relevant considerations and limitations from stakeholder consultations. From this review, nine potential alternatives were identified for the Public Safety Building ("PSB") and six potential alternatives for the Civic Centre Car Park, resulting in 54 potential combinations.

From this full list of combinations, a detailed investigation and evaluation process identified three short-list alternatives that with the potential to maximize the value of the City property. Each of the short-list alternatives presents a viable path forward for the City:

A. **Large public space**: consists of the development of public space and the sale of surplus land.

B. **Civic Campus**: consists of the development of a small public space, the construction of a new building for the Planning, Property and Development Department ("PPD"), the construction of a small, 95-stall parking structure with office space at grade for the Winnipeg Parking Authority ("WPA"), and the sale of surplus land.

C. **Large parking structure**: consists of the development of a small public space, the construction of a 520-stall parking structure with office space at grade for WPA, and the sale of surplus land.

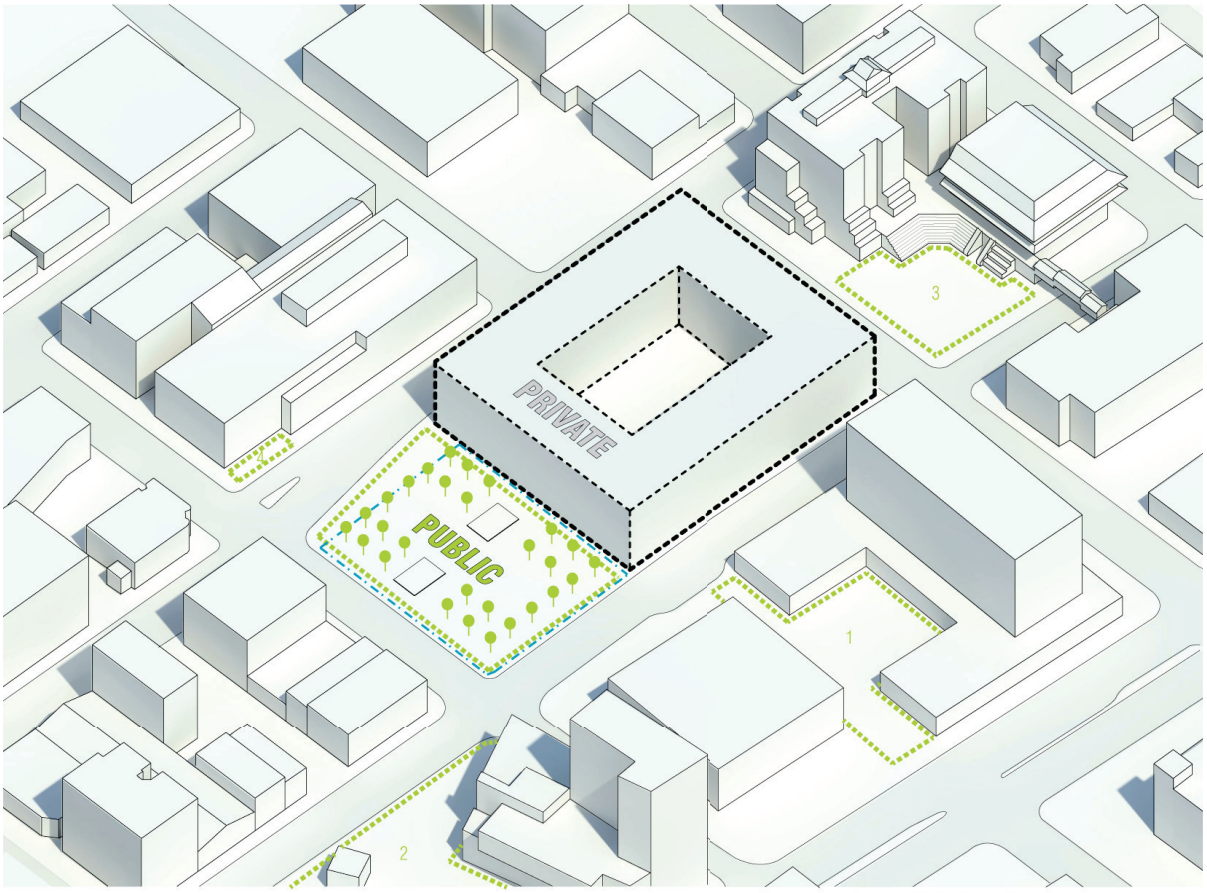
The following executive summary provides high-level overviews that include a brief financial summary and a description of the general benefits, considerations and assumptions associated with each of the short-listed alternatives.



The subject property site is divided into four legal parcels, as shown on the plan above. Parcel B, which house the majority of the PSB, was gifted to the City in 1875 with the restriction that the land must be used for:1. Public purposes, and 2. Purposes of the municipal corporation

Refined alternatives

1. Demolish PSB to create public space and sell non civic-designated land



Option 1 - Outdoor Civic Space

parcel reserved for civic use

Existing Public Spaces:
1. City Hall
2. Old Market Square
3. Chinese Gardens
4. Red River College

Refined alternatives

1. Demolish Public Safety Building to create public space and sell non civic-designated land

Description

- The plan consists of the demolition of both the PSB and CCCP, the subsequent design and development of the civic-designated land as a large public space and the sale of the non civic-designated land.
- There are no sub-alternatives.



Considerations

- The public space would be designed to be supportive and complementary to the adjacent properties, primarily for direct use by the non civic-designated land redevelopment proposal and indirectly for spill out opportunities for City Hall.
- Effective space management is critical to a public spaces' success; a strong management plan and presence will be needed.
- The public space will need to meet community needs and provide for passive activity which is not being met in the City Hall Courtyard and/or Old Market Square public spaces. It must also consider the relationship with adjacent buildings including edge condition, viewsheds, and streetscaping treatment.
- There may still be a need for additional secure parking to be built on the non civic-designated land. WPA should be given the opportunity to complete a business case on the feasibility of building a parking structure.



Costs

- Demolition and remediation of the buildings and land.
- Construction costs of the new public space.

Revenues

- Sale of the non civic-designated land.
- Increased property tax base from private sector development on non civic-designated land and potential for increased valuations in area due to increased desirability.

Refined alternatives

1. Demolish Public Safety Building to create public space and sell non civic-designated land (cont'd)

Implementation

- The City will be responsible for demolition and remediation of the site. They will also be responsible for the design, construction and maintenance of the public space.
- CentreVenture could manage the development of a vision for the non civic-designated land. Once a vision is developed, the land could be offered through an RFP process to the private sector and the City, through CentreVenture, could influence the form of development through a negotiated Development Agreement with the private sector group. The Development Agreement may include criteria around overall vision and relationship to the public space (i.e. edge condition and scale). The City will continue to have further control of development through their role as the development permit regulator.
- The community should be involved in creating a vision for the future park/plaza in order to ensure that it responds to their needs. A public engagement process throughout the planning and design process will also be important to increase a sense of ownership by citizens.





Benefits

- This can be thought of as an opportunity to create an iconic public space that would be unique in the downtown. Given the properties' strategic location between City Hall and RRC, a redevelopment plan would have the potential to not only shape the neighbourhood identity in the West Exchange District, but also its broader civic image.
- Increased public space could provide a valuable amenity for area and help to increase the desirability and potentially the sale value of the non civic-designated land sale.
- This reflects the least capital intensive alternative and the lowest risk alternative as the City would not be exposed to significant construction cost risk.
- The sale of the non-civic designated land could generate revenue for the City and the subsequent development of the property could generate increased property taxes. The freeing up of this surplus land would also be seen as a positive way to support private sector development.

Refined alternatives

1. Demolish Public Safety Building to create public space and sell non civic-designated land (cont'd)

Benefits (continued)

- The City could retain some control over form of development on the non civic-designated land through a Development Agreement
- With southern exposure and the low-rise buildings across William Ave, this site has the benefit of receiving full sunlight during daylight hours.
- A high quality public space will contribute to the Exchange district being perceived as a more desirable place to live, work and play.

Limitations

- These strategically located properties may have higher and better civic uses in the future. While the use of the civic-designated land could change in the future, the City would lose ownership of the non civic-designated land.
- There is uncertain demand or justification for a public space (park or plaza) at this location. The City Hall Courtyard (to the east), Old Market Square (to the southeast) and Red River College's plaza (to the west) currently provide public space capacity for the immediate area.
- The timing for private sector redevelopment on the non civic-designated land is uncertain and there is the risk that the land could remain vacant for an extended period of time.
- Once the PSB has been demolished, the site must be maintained by the City. If the development of the public space is delayed, the space will require, at a minimum, sodding.
- There could be pushback regarding the demolition of this historically significant building.



