Agenda – Council – July 18, 2019

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – June 24, 2019

Item No. 5 Development Agreement Amendment – 201 Portage Avenue – AG 417/1987 (Point Douglas Ward)

STANDING COMMITTEE RECOMMENDATION:

On July 9, 2019, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the following to Council:

1. That Development Agreement No. AG 417/87, as amended by Addendum Agreement No. AG 471/87, (the "Development Agreement") be further amended by deleting Clauses 13 and 14 in Section I of Schedule "C" to the Development Agreement, namely:

   "13) The Developer shall, at no expense to the City, provide a pedestrian arcade and walkway with a minimum width of 12 feet except at column locations where the width is reduced to 10 feet and at the four locations within the arcade where the minimum width is 8 feet, as determined by and to the satisfaction of the Commissioner of Planning and Community Services;

   14) The Developer shall take the necessary means to ensure that pedestrian access through the plaza area in front of the building is prohibited during the winter months by closing the gates at both ends of the plaza area as determined by and to the satisfaction of the Commissioner of Works and Operations. Dates for prohibiting access to the public within the plaza area shall be as determined by the said Commissioner in consultation with the building manager which obligation shall be caveated pursuant to The City of Winnipeg Act."

   subject to the condition that the Developer submit to the Director of Planning, Property and Development (the "Director") a revised Wind Impact Study, in accordance with subsection 250(7) of the Downtown Winnipeg Zoning By-law No. 100/2004, that supports, to the satisfaction of the Director, the removal of the protected walkway in the context of acceptable wind comfort criteria, which may include design alternatives for the mitigation of wind impacts.

2. That the City enter into, execute and deliver an agreement to amend the Development Agreement in accordance with recommendation 1 (the "Amending Agreement") with the Developer and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – June 24, 2019

STANDING COMMITTEE RECOMMENDATION (continued):

3. That authority be delegated to the City's Director of Planning, Property and Development to negotiate and approve the terms and conditions of the Amending Agreement, and any Ancillary Agreements, in accordance with this report and such other terms and conditions determined necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – June 24, 2019

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 9, 2019, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the matter to Council.

Councillor Browaty, North Kildonan Ward, submitted a communication with respect to the matter.

Rosanne Hill Blaisdell, Harvard Development Inc. and Michael Banman, Stantec Architecture, submitted a communication in support of the matter.

STANDING COMMITTEE RECOMMENDATION:

On June 24, 2019, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

The following persons submitted communications with respect to the matter:

- Councillor Santos, Point Douglas Ward, submitted a communication dated June 21, 2019
- Michael Banman and Rosanne Hill Blaisdell submitted a presentation titled "Development Agreement Amendment 201 Portage AG417/1987"

ADMINISTRATIVE REPORT

Title: Development Agreement Amendment – 201 Portage Avenue – AG 417/1987

Critical Path: Standing Policy Committee on Property and Development, Heritage and Downtown Development – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Pittet	J. Kiernan	N/A	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

Development Agreement No. AG 417/87 was approved by Council on May 25, 1988 and was amended by Addendum Agreement No. AG 417/87, which was approved on September 14, 1988, (the "Development Agreement"). Under the Development Agreement, the Developer was required to provide a pedestrian arcade and walkway.

The Developer has submitted a request to amend the Development Agreement to remove the requirement for the pedestrian arcade and walkway. The public sidewalk will remain and be maintained by the City as it was previously.

The Public Service concurs with the Developer's request to delete the obligations in question and recommends that Council approve the amendment to the Development Agreement subject to the condition that the Developer submit a revised Wind Impact Study satisfactory to the Director of Planning, Property and Development.

RECOMMENDATIONS

1. That Development Agreement No. AG 417/87, as amended by Addendum Agreement No. AG 471/87, (the "Development Agreement") be further amended by deleting Clauses 13 and 14 in Section I of Schedule "C" to the Development Agreement, namely:

   "13) The Developer shall, at no expense to the City, provide a pedestrian arcade and walkway with a minimum width of 12 feet except at column locations where the width is reduced to 10 feet and at the four locations within the arcade where the minimum width is 8 feet, as determined by and to the satisfaction of the Commissioner of Planning and Community Services;

   14) The Developer shall take the necessary means to ensure that pedestrian access through the plaza area in front of the building is prohibited during the winter months by closing the gates at both ends of the plaza area as determined by and to the satisfaction of the Commissioner of Works and Operations.

Dates for prohibiting access to the public within the plaza area shall be as determined by the said Commissioner in consultation with the building manager which obligation shall be caveated pursuant to The City of Winnipeg Act."

subject to the condition that the Developer submit to the Director of Planning, Property and Development (the "Director") a revised Wind Impact Study, in accordance with subsection 250(7) of the Downtown Winnipeg Zoning By-law No. 100/2004, that supports, to the satisfaction of the Director, the removal of the protected walkway in the context of acceptable wind comfort criteria, which may include design alternatives for the mitigation of wind impacts.

2. That the City enter into, execute and deliver an agreement to amend the Development Agreement in accordance with recommendation 1 (the "Amending Agreement") with the Developer and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

3. That authority be delegated to the City's Director of Planning, Property and Development to negotiate and approve the terms and conditions of the Amending Agreement, and any Ancillary Agreements, in accordance with this report and such other terms and conditions determined necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Council approval is required to amend a Development Agreement.

IMPLICATIONS OF THE RECOMMENDATIONS

The deletion of all requirements for the Developer to provide a pedestrian arcade and walkway will allow for the redevelopment of this vacant commercial space intended to restore safety and amenities to the downtown community and located within Winnipeg's most prestigious corner. The public sidewalk will remain and be maintained by the City as it was previously.

HISTORY/DISCUSSION

Development Agreement No. AG 417/87, as amended by Addendum Agreement No. AG 417/87, (the "Development Agreement"), requires that the Developer, Portage and Main Development Ltd. (6841768 Manitoba Inc.), provide a pedestrian arcade and walkway and take the necessary means to ensure that the pedestrian access through the plaza area in front of the building is prohibited during the winter months by closing the gates at both ends of the plaza area.

On May 20, 2019, Mr. Michael Banman of Stantec Architecture, 500 – 311 Portage Avenue, Winnipeg, Manitoba, R3B 2B9, on behalf of the Developer, submitted a request to the City to amend the Development Agreement to remove these obligations. A copy of this request is attached as Appendix A to this report.

Comments from Urban Planning

In the downtown, the Public Service has required Wind Impact Studies for new high rise buildings going back many years. Back in the 1980's when this building was being designed, the consulting firm RWDI, on behalf of the owners, identified significant wind impacts at this corner and recommended the protected walkway in order to satisfy the City's requirements for wind mitigation. The Public Service wants to ensure, if this walkway is eliminated, that the Developer is nonetheless in compliance with Section 250 (7) of the Downtown Winnipeg Zoning By-law No. 100/2004 in terms of wind impacts.

Urban Planning recommends that the amendment to the Development Agreement be subject to the submission of a revised Wind Impact Study supporting the removal of the protected walkway in the context of acceptable wind comfort criteria, which may include recommended design alternatives for the mitigation of wind impacts. That submission would be part of the Urban Design Review application.

Currently, the owner is pursuing redevelopment of the vacant pedestrian arcade and walkway for conversion into commercial space, thus, no longer requiring these conditions within the Development Agreement.

Based on the above, the Public Service recommends that the Developer's request to amend the Development Agreement be approved.

FINANCIAL IMPACT

Financial Impact Statement **Date:** June 3, 2019

Project Name:

Development Agreement Amendment – 201 Portage Avenue – AG 417/1987

COMMENTS:

There are no financial implicatons associated with this report.

"Original Signed By"
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

Planning, Property & Development - Urban Planning Division
Legal Services (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

Recognizing Portage and Main as a significant destination for the Downtown, Key Direction 03-1A in OurWinnipeg and the Complete Communities Direction Strategy states:
Pursue a focused district, destination and cluster approach to development Downtown that will seek to:

- Provide more predictability and opportunity for investment.
- Increase the variety of complementary experiences and opportunities.
- Help achieve a critical mass of people-oriented activity that is vital to ongoing economic success.

Also under Section 03-1F, Complete Communities, Direction 1 states:
Prioritize pedestrian-oriented transportation generally, with particular attention to specific Downtown corridors.
Promote walking as a mode of preference within Downtown by focusing investment in pedestrian improvements along routes that:

- Promote direct and efficient connectivity between defined districts, destinations and clusters.
- Readily incorporate design features to enhance comfort, safety and security through environmental design (CPTED) and universal design standards.
- Complement or enhance established pedestrian routes and weather-protected walkway system.
- Contribute to the continuity of pedestrian-oriented, street-level activity.

SUBMITTED BY

Department:	Planning, Property and Development
Division:	Real Estate and Land Development
Prepared by:	A. Savage, Land Development Services Coordinator
Date:	June 3, 2019
Attachment:	Appendix A – Letter of Intent dated May 20, 2019

APPENDIX A – LETTER OF INTENT

Stantec

Stantec Architecture Ltd.
500–311 Portage Avenue, Winnipeg MB R3B 2B9

May 20, 2019
File: 144518201

Attention: Mr. Greg Jasper, Land Development Administrator
The City of Winnipeg
Planning, Property and Development Department
Land Development Branch
Main Floor, 65 Garry Street
Winnipeg, Manitoba

Dear Mr. Jasper,

Reference: Development Agreement Amendment Letter of Intent 201 Portage Avenue,

The vision for 201 Portage is to restore the prestige, civic pride and amenity, to this address at the Northwest corner of Winnipeg and Canada's most famous intersection. To increase amenity, safety and security by creating a new tenant space at the corner of Portage & Main.

Following the full renovation of the concourse, the owner is currently developing plans to completely renovate the podium, Levels 1 and 2, of the 201 tower, to open up the building, increase transparency and grandeur through a new double height lobby two times the current lobby area complete with new amenities. As part of this redevelopment, the owners have the opportunity to present a new tenant looking to relocate their business to this historic address at the corner of Portage & Main. However, in its current state, set back from the face of the building, obscured by the arcade, and without direct connection to the street corner it is unleasable. In order to provide the area required by the tenant and with consideration for the redevelopment of the podium, the arcade needs to be included and thereby filled in with a new tenancy and occupied.

The arcade was part of the 1988 Development Agreement between the original owner and the City of Winnipeg. The intent of the Arcade was to increase pedestrian comfort around the property by prohibiting pedestrian's sidewalk access during the winter.

At the time, RWDI was hired by the developer to define the existing level of pedestrian comfort before the tower was constructed, identify the impact of the new tower, and develop a remediation strategy. As noted in the study, it was very uncomfortable for pedestrians to walk around the property at the time, while 'The addition of the Phase 1 tower of the Portage and Main development is expected to result in a slight improvement in the wind conditions on the sidewalks adjacent to the new plaza.' [the 'new plaza' refers to the sidewalk, concrete bunkers or barricades and planters in front of the building at Portage & Main], and the arcade was established to remediate the effects of wind during the winter months.

As part of the study RWDI provided two diagrams, one to summarize the summer wind comfort levels for pedestrians and one to summarize the winter comfort levels for pedestrians. [The diagrams are attached for ease of reference.] The diagrams indicate that in summer it is comfortable for pedestrians to walk around the tower on Portage, Main, and Notre Dame without the use of the arcade. And in winter it is

Reference: **Development Agreement Amendment Letter of Intent 201 Portage Avenue,**

uncomfortable for pedestrians to walk around the tower on Portage, Main, and Notre Dame with he occasional break directly along Portage where the building blocks the wind, on the sidewalk directly opposite Portage and main, and in the arcade.

The outcome: as part of the Development Agreement the original developer was required to provide barriers at either end of the sidewalk at Portage & Main forcing pedestrians into the arcade for a duration of approximately 15 seconds [considering average foot speed of 3.1 MPH] during the winter season. When the barriers were installed that first winter, pedestrians walked up to them, paused, stepped over and carried on their way. By the end of that first winter the solid aluminum barriers had been stolen and pedestrians have continued to walk along the sidewalk around the tower for the last 30 years. While the arcade has been available for use, it has not been demonstrated a viable amenity for those approximately 15 seconds of still uncomfortable weather in winter. Without foot traffic or a viable tenant putting their eyes on to this alcove, the arcade feels unsecure and unsafe.

The concept of diverting pedestrians off the public right of way and into private property is contrary to current consideration for the planning and design of winter cities and good urban planning in general, to create livability. The foundation of this principle is to provide the community with a neighborhood of amenities, shops, restaurants, cafes, etc along a walkable street.

With the amendment to the Development Agreement the owner hopes to restore dignity, amenity, safety and security to this vacant space on this prestigious corner, bringing people, service, animation, foot traffic and eyes on the street.

It is with the intent to make our city better, to be good City Builders, that the owner requests the Development Agreement be amended to remove the requirement to provide an arcade, prohibit pedestrians from using the sidewalk and diverting them off the public right of way, and instead, to provide the community with a new amenity and restore occupancy to this vital corner.

Regards,



Michael Banman, MAA, OAA, SAA, MRAIC, LEED® AP
Principal | Discipline Lead - Architecture
Stantec Architecture
500–311 Portage Avenue, Winnipeg MB R3B 2B9
t: 204.928.8897
m: 204.293.9441
e: michael.banman@stantec.com

Attachment:

c.

bm document2