



Ad-Hoc Grand Trunk Renewal Committee

Working Group:	Real Estate, Legal and Finance Working Group
Report Date:	August 23, 2024

Requested Committee Direction:

The report is split into two parts:

- Discussion points for information only; and,
- Discussion points with action items.

Discussion Points (for information only):

The working group (WG) has been formed with the following members:

- Members of the Ad-Hoc Committee: Franklin Famme (Chair)
Paul Parlee
Mark Vandebosch
- Members from the business community: Sylvia Chrominska
Michael Doupe
Jodi Meiering
- Representative of investStratford: Joani Gerber

The WG is supported by Alan Kasperski as Working Group Coordinator.

The WG discussed the history of the property and the overall project, including:

- Legal ownership including possible encumbrances
- Costs incurred to date
- Master Plan (2018) including guiding principles and key elements
- Conceptual current usage of property by block (May 2024)
- Updated grand trunk renewal draft guiding principles (July 2024)

The WG also reviewed the August 12, 2024 management report to City Council as prepared by Joani Gerber, most notably discussing the two items in the working plan affect the committee, being:

- Procurement/RFP process and legal agreements structure
- Financial and real estate model

Much discussion occurred on these topics with their tasks, and the associated 'next steps' relating to these assigned areas of focus.

The work presently being performed by City staff and consultants include the following:

- Review of legal documentation relating to agreement between the City of Stratford and the University of Waterloo (2009)
- Property appraisal(s)
- Legal opinions relating to procurement and request for proposal (RFP) processes
- Consulting relating to a market sounding report for residential purposes
- Consulting relating to development financial proforma analysis

Discussion Points (action items):

While the WG is pleased that the above work is presently being performed, it was noted that there does not appear to be sufficient direction provided by City Council to the Ad-Hoc Committee in order to make informed recommendations for feasibility and best use of the property. As a result, the WG has prepared several questions which require exploration and are recommended to be discussed at the Ad-Hoc Committee level. The intention of the discussion will be to obtain seek direction from City Council on the following:

1. The property has some environmental considerations which need to be addressed. **Is the City prepared to explore budgetary impacts relating to these historical environmental matters?**
2. In the absence of higher tier government funding, the sale of developable land is the best perceived source of revenue to offset the high costs of community-based space. Specifically, it is clear to the WG that revenues from the sale of land relating to high-density residential development units will be required.
 - a. Under existing provisions, developers can build 6-storey (22m) structures on the property. These developers can be incentivized to maximize the property by using the bonusing provisions to 45m already established in the official plan. **Is the City prepared to allow for community benefit and its resultant effects either under the existing official plan or by expansion of the bonusing provisions?**
 - b. The City presently has a requirement of 1.25 parking spaces per residential unit developed. **In order to get the best density usage and encourage environmental stewardship through reduction of vehicular dependency, is the City prepared to reduce this parking requirement by 50-75%, or more?**
3. Due to the size of the overall project, there is significant doubt as to whether existing staff resources are sufficient to support the same. Furthermore, there will be the need for allocation of resources towards necessary studies and consultants, but the WG has not been informed of any significant allocated budget. **Is the City prepared to dramatically expand its budget relating to the staffing of the project (by way of contracted staff and/or consultants) which is presently minimal?**

Direction from the above questions is needed as soon as possible in order to ensure proper analysis of the project's feasibility can be advanced.

Overview of Previous Month:

n/a

Overview of Upcoming Month:

Summary of work anticipated for the upcoming month.

Item #	Item/Action	By Whom	By When
	Encourage the Ad-Hoc Committee to discuss the above questions and obtain input from the CAO and City Council		
	Prepare a basic plan, given current conditions, as to feasibility of project		
	Review tasks assigned to the group with timelines, and bring all relevant reports associate with each item back to WG for next meeting		

The next WG meeting has been set for September 26th at 4pm.