

Council Memo



To	City Council
Service Area	Infrastructure, Development and Enterprise Services
Date	Friday, October 29, 2021
Subject	Real Estate Assets Memo

The purpose of this memo is to provide Council with answers to questions asked and follow up on actions directed in response to the Real Estate Asset Update report and presentation at the Committee of the Whole meeting on October 4, 2021.

Questions and Responses

Question: Do our properties listed meet the Property Standards Bylaw?

Response: Inspection of the properties has been completed and staff confirm that our properties do meet the Property Standards Bylaw.

Question: Do staff need delegated authority to go ahead with these works to stabilize the buildings?

Response: In this report staff were reallocating funding from other future potential projects or projects with excess funds to stabilize 880 Victoria Road and 341 Forestell Road. The funding is only part of the equation, as any efforts or projects on these properties also takes staff resources from projects at facility assets that are currently active.

Question: What is the current state of McQuillan's Bridge? What is being done to stabilize and keep it safe until the work is done? Is the bridge currently active?

Response: Stone Road Structure 116 (McQuillan's Bridge) has yearly condition inspections and sign-offs completed by a structural engineer to ensure it is safe for pedestrian use and trail traffic, and to identify repairs needed to keep the bridge in a condition suitable for its current use. This will be completed until the time, as per the future capital workplan, when an Environmental Assessment for the bridge can be completed to determine the long-term solution for the structure.

Question: Can the Drill Hall be considered for affordable housing?

Response: Residential use for the building is permitted in the current zoning. The challenge with utilizing the existing building for residential occupancy would be the requirements for life safety and construction. A residential occupancy would have a greater risk to life safety than other previous uses due to people residing, cooking, sleeping in the building. With the Drill Hall being a multi-story timber structure, significant life safety upgrades (over other potential uses) would be required and could be limited due to heritage attributes of the building, as a residential occupancy would also have requirements for items such as minimum and maximum window opening areas for example. To quantify the impacts further, an architect and code consultant would need to be engaged to review the building and potential future plans.

Question: What did the \$5 million estimate include for work to bring the Drill Hall to a state of occupancy?

Response: The \$5 million estimate came from a Facility Needs Assessment and Master Plan exercise for the Drill Hall put together by a consultant in 2018. The consultant assessment and preliminary cost estimates considered two potential uses for the Drill Hall: event space, and offices. The restoration cost estimates that formed the basis for the \$5 million were provided in the report as an order of magnitude estimate based on high level concepts and assumptions. It is important to note that this 2018 estimate will have some variability based on the final scope of work, cost escalation with time, and design impacts associated with COVID.

Once a final use and concept is confirmed, the preliminary design can inform the expected renovation costs of the Drill Hall to allow it to be occupied.

Question: Do we need a market sounding on other properties?

Response: At this time, there are no building or sites that the City has an undefined use for that could benefit from the results of a market sounding process other than the Carter Farm as noted below.

Question: Do we have a Terms or Reference for the Request for Proposals in regards to the Drill Hall?

Response: Staff have not developed the Terms of Reference for the Drill Hall Request for Proposal as this building and situation are both unique. This process would start upon direction from Council to proceed. Timing for these works would be in conjunction with the finalization of the stabilization works process.

Actions and Responses

Action: Confirm timing options for a possible expression of interest on the building at 880 Victoria Road (Carter Farm).

Response:

The City has reviewed the options for completing an expression of interest for the Carter Farmhouse at 880 Victoria Road. Staff offer the following commentary on use of the building proper:

- While the City does not have a defined use for the Carter farmhouse building proper, the property at 880 Victoria Road itself is an integral part of the water supply system for the City, supplying approximately 2 mega liters of drinking water per day. The property is sensitive to any use and use of the property could lead to additional capital expenditure for treatment of the well water from the site.
- The existing septic system has been decommissioned and installing a new septic system could pose a risk to the City water supply. While this could be completed, additional requirements for capital funding to provide appropriate treatment to the water supply will be required.
- Given the sensitivity of the site and the designation of a portion of the site as GRCA floodplain, active use of the site (i.e. public trails and trail building) is discouraged.
- Site servicing is a challenge as the site is outside of the city's boundaries. If City staff were able to extend servicing to the site, there would be issues with sloping of sanitary connections, possibly requiring sewage pumping, forcemains, and regular flushing programs to maintain. A long, dead-end water service into the site would also be challenging for maintaining water quality standards.
- The site has additional constraints for use as a large portion of the site is designated as floodplain by the GRCA.

It is also of note that City staff met with the Township of Puslinch on October 18, 2021 and have reviewed the status of 880 Victoria Road. The City has informed the Township of the building's condition and at this time, until the expression of interest is completed, staff expect no further action is required with the Township.

Staff confirm that an expression of interest can be initiated by Q1 2022 as requested through an external consultant. Funding of \$50k is required to initiate this project.

Action: Reach out to the proponents who submitted proposals for the Drill Hall market sounding so that they are aware this is coming forward at the October 25, 2021 Council meeting.

Response: An email was sent to the survey participants on October 19, 2021.

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