



Project
Leaders



City of Ottawa | ByWard Market Feasibility Analysis

Key Findings and Financial Business Case

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Supplemental Documents

For addition information, the following documents are provided to accompany this report:

1. ByWard Market Feasibility - Parking and Subsurface Analysis Memorandum
2. ByWard Market Feasibility - Functional Program and Concept Design Report
3. ByWard Market Feasibility – Construction Phasing and Implementation Memorandum

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Section 1: Executive Summary

1.1 Background and Objectives

The ByWard Market is a culturally and economically significant district in Ottawa's downtown core, designated as a Special District in the City of Ottawa's (the City) Official Plan. It is home to a historic public market, numerous businesses and serves as a key destination for residents and visitors alike. In 2021, City Council adopted the ByWard Market Public Realm Plan (BMPPR) to revitalize the area with principles centered on pedestrian accessibility, inclusivity, beautification, business support and visitor experience. One of the key goals of the Public Realm Plan is to shift the perception of the Market from a vehicular-oriented space to one where pedestrians come first. This shift has implications for how space is allocated within the public right of way.

Building on this vision, the BMPPR focuses on the transformation of three city-owned assets, **70 Clarence Street**, **55 ByWard Market Square**, and the **York Street Plaza**, into a vibrant hub centered on food retail, additional commercial offerings, a curated outdoor public market, and quality public spaces for small and large events. City staff have identified this as a once-in-a-generation opportunity to re-envision the ByWard Market. The intent is to reinforce the unique heritage character of the ByWard Market, bolster the neighbourhood farmers market and businesses, offer public benefits to the surrounding community, and appeal to visitors and residents alike.

The City has engaged Colliers Project Leaders (Colliers) in collaboration with Parsons Corporation, Hobin Architecture Incorporated, and ND Management (the Consultant Team) to conduct a feasibility analysis, building upon the BMPPR, for the redevelopment of key municipal assets located in the ByWard Market. The objective of the study is to develop a functional program and financial plan which is commercially viable, attractive to private market interest and supports the objectives of the BMPPR. At this stage of the project, the designs remain preliminary. The functional programs are intended to define the design objectives, spatial requirements, functional relationships, and operational needs, with detailed design to proceed following Council direction.

The following locations are analyzed for the financial business case, also referred to as the assets:

- 55 ByWard Market Square (55 ByWard)
- 70 Clarence Street (70 Clarence)
- York Street Flex Plaza and York Street Market Plaza (York Street Plaza)

1.2 Functional Programs

Extensive engagement was conducted with the City and external stakeholders to develop a functional program for the Project which meets the City's objectives.

55 ByWard

The market building at 55 ByWard Market Square (55 ByWard) is a two-storey brick structure with a gable roof, designed in a Classical Revival style. Key architectural features include evenly spaced square-headed windows on the second floor, a moulded sheet metal cornice running along the perimeter, and prominent two-and-a-half-storey semi-circular arched entrances located within the cross and end gables. The property is managed by the ByWard Market District Authority (BMDA), with the majority of revenues derived from tenant leases, supplemented by event space rentals. Currently, the building is not being utilized to its highest and best potential.

The current layout of 55 ByWard has seen a slow encroachment of retailers and food vendors reducing the publicly useable space. In addition, the second floor has been largely vacated due to a lack of clear connection to the ground floor. The preliminary functional program for 55 ByWard, which includes a basement, ground floor, and second level, aims to remove these constraints. The BMPRP calls for a renewed focus on revitalizing the market's core purpose, emphasizing the need to "put the market back into the market." It also highlights the importance of reinforcing this structure as a key anchor and destination within the district.

The most significant design intervention proposed for 55 ByWard is the restoration of the central hall for public use. The plan involves removing a majority of tenancies between the two crossings, allowing most of the central hall to function as a public food and event space. Externally, a notable proposed change involves adding two rooftop terraces, one overlooking George Street and the other facing York Street. These terraces are intended to provide outdoor seating areas for two new second floor restaurant tenants. Two anchor spaces are envisioned at ground level, which will be decided through a transparent procurement process as the project progresses. The vision encompasses a potential bakery and café space continuing to anchor the York Street end, while a new single-tenant space at the south end will be reserved preferably for a locally owned grocer or food-focused vendor. Within the public food hall and event area, space would be available for two to four small kiosk vendors offering food or beverages. To better support both retailers and event space functions, a new dedicated loading area is proposed near the southwest corner of the building.

TABLE 1: FUNCTIONAL PROGRAM SUMMARY FOR 55 BYWARD

Space	Area (ft ²)
Public/Circulation	9,692
Commercial Space (Vendors, Food, Kiosks)	13,375
Office / Restaurant Space	4,497
Public Washrooms	673
Building Mech / Utility	2,971
Gross up Space	5,061
Building Total	36,269

These interventions aim to revitalize the building as a vibrant, all-season public destination within the ByWard Market District. The proposed functional program directly aligns with the *Support Businesses* Principle of the BMPPR, which recommends the following: support ByWard Market as a distinct food retail experience, reinforce the heritage market building as an anchor to the district, provide space for outdoor Market stalls, provide space for great patios, and accommodate deliveries and loading. The program also aligns with the *Enhance the Visitor Experience* and *Welcome Everyone* principles.

70 Clarence

The existing building at 70 Clarence Street includes a City-owned four-storey parking structure with 289 stalls, along with six ground-floor retail units. Most of its revenues are derived from parking fees and tenant leases. The site falls under Official Plan Schedule C6-A and intersects with a protected view plane, which restricts the allowable building height. It is also designated as a non-contributing property within the ByWard Market Heritage Conservation District. Its southern edge encroaches on York Street Plaza, disrupting the streetscape. The current ground floor retail offers limited street engagement and does little to enhance the public realm.

The building is currently in deteriorating condition and requires an estimated \$29 million to maintain safety and serviceability of the garage until the end of 2030.

The long-term vision for 70 Clarence is to redevelop it into a mixed-use destination building that complements the surrounding public realm and respects protected sightlines to Parliament Hill. Design considerations include alignment with heritage conservation district requirements, setbacks to improve public realm engagement, and provision of active ground-floor uses to animate the streetscape.

The building aims to integrate seamlessly within the broader Arts, Culture, and Entertainment (ACE) District, complementing nearby institutions and other performance and gallery venues. At the direction of the City, the functional program for 70 Clarence, envisioned as a new public amenity building, was designed to house subterranean public parking, a community focused learning space for the visual arts (Community Art Hub) and a space for significant public institution gallery. A subsequent City direction added in an optional program element to provide limited residence spaces above. Key priorities of this

space include ensuring each program element maintains a distinct identity through branding, public-facing spaces, and creating meaningful opportunities for storytelling in both indoor and outdoor areas.

TABLE 2: FUNCTIONAL PROGRAM SUMMARY FOR 70 CLARENCE

Space	Area (ft ²)
Public/Circulation	3,109
Atrium	2,702
Gallery	34,401
Community Art Hub	24,649
Residential	15,597
Gross up	8,069
Building Total	88,526
Parking Level 1	35,790
Parking Level 2	35,790

The proposed functional program directly aligns with the *Enhance the Visitor Experience* Principle of the BMPPR, which recommends the following: increase programming, events, arts and culture year-round, have clean and well-maintained spaces, design public spaces to reinforce the Market’s image, and provide infrastructure for events. The program also aligns with the *Welcome Everyone* and *Balance the needs of residents, tourists and businesses* principles.

York Street Plaza

Located on York Street between Sussex Drive and William Street, the York Street Plaza is envisioned as a key feature of the ByWard Market. Designed to enhance pedestrian movement and activity, the plaza will serve as a key connector linking 55 ByWard, the Market’s anchor destination, with the rest of the Market district. York Street is currently a municipal road with street parking and limited pedestrian-focused amenities. It occasionally serves as event space, or is used for temporary installations, and is not yet the active, pedestrian-oriented plaza envisioned in the BMPPR. Revenues from this space are derived from event space rentals. York Street Plaza is envisioned as a flexible pedestrian-focused promenade; the plaza will accommodate a wide range of events from large scale gatherings to everyday public use. Its “tabletop” design eliminates curbs to create a flat, accessible surface within the plaza, reinforcing its pedestrian orientation.

The York Street Plaza has been included in this feasibility study and business case in light of the City’s planned infrastructure work in 2028, which includes integrated road, sewer and water upgrades. Adjacent development at 70 Clarence will require coordination as the proposed underground parking facility will encroach York Street below-grade, necessitating careful phasing of streetscape improvements. Coordinating the plaza’s construction with this broader infrastructure Project is expected to reduce overall costs, as the reinstatement of the road as a plaza would be less expensive than if completed independently.

For this report, the functional program for York Street Plaza remains unchanged from the BMPRP. The proposed functional program aligns directly with the *Pedestrians First* Principle of the BMPRP, which recommends the following: increase pedestrian space, provide amenities for pedestrians, create a safe, accessible and connected environment, and incrementally reduce vehicle traffic and parking, provide for all types of travel. The program also aligns with the *Beautify the Market* and *Welcome Everyone* principles.

1.3 Financial Analysis

For the purpose of financial analysis, the total construction timeline assumes a five-year span, from 2025 to the end of 2029, and uses a 40-year operational horizon to assess sustainability. Pre-construction activities are assumed to begin in 2025, with the demolition of 70 Clarence and construction activities to begin in 2028 once the 200th anniversary market celebration is complete. For greater visibility into financial performance, the parking component from 70 Clarence has been analyzed as a separate asset. In addition, interior fit-up is assumed to be completed by the future anchor tenants.

For clarity regarding all financial assumptions in the tables presented below, please review **Section 5.1** of the report.

A summary of the capital cost of the assets is presented in **Table 3**. The total capital investment across all four projects is approximately \$197.2 million of which only \$8.8 million has identified funding (non-guaranteed) through the parking reserve and pre-design contributions. The remaining **\$188.4 million** will need to be financed through municipal debt or other unidentified sources. The total debt payment (assumed interest and principal) required to finance the Project would be approximately \$9.9 million annually.

TABLE 3: SUMMARY OF CONSTRUCTION COSTS (\$)

Descriptions	55 ByWard	70 Clarence	70 Clarence Parking	York Street Plaza
Project Budget Without Contingency	29,335,500	49,484,700	38,573,755	24,663,600
Contingency (40%)	10,038,100	18,499,300	11,715,600	8,654,000
Project Budget With Contingency	39,373,500	67,984,000	50,289,355	33,317,600
Interest During Construction	885,722	2,051,586	1,201,197	929,554
Early Lease Buyouts	-	1,164,309	-	-
Total Construction Cost	40,259,222	71,199,895	51,490,552	34,247,154
Funding Available	1,600,000	-	7,235,355	-
Amount to Finance	38,659,222	71,199,895	44,255,197	34,247,154
Total Investment		\$188,361,468		

Per **Table 4** below, the expected total net cashflows are estimated to be -\$111.2 million, with a NPV of -\$45.9 million. With the current functional program, the Project is not in a breakeven cashflow scenario. These figures represent approximately \$9.4 million of

revenues, \$4.5 million of operating expenses, and \$4.9 million in operating income in 2030 before accounting for debt repayments. These revenue figures are significantly higher than the roughly \$3 million the BMDA reported in 2024 excluding the funding contribution and warrants consideration regarding the service agreement if these investments progress.

When analyzing from a consolidated level, 55 ByWard and 70 Clarence operate on a surplus basis whereby revenues could cover operating expenses and debt payments. To improve financial performance, the City will need to secure additional funding or revisit the functional program at 55 ByWard and 70 Clarence to identify opportunities to increase revenue (discussed below and in detail in **Section 5.3**).

When removing the proposed subterranean parking garage, net cash flows improve by \$68.9 million, or about 60% of the current cashflow deficit. However, if the City decides not to include the underground parking structure in the project, additional analysis will be required. Currently, the demolition cost of the standing structure is allocated to the 70 Clarence parking structure and not the 70 Clarence destination building. The City will need to determine whether the parking reserve fund can be used to cover the cost of removing the existing structure in the absence of a plan to replace the parking.

While the event space has the potential to generate revenue, the investment into York Street is considered a public amenity for visitors to the ByWard Market. If the work proceeds as outlined in the BRPMP it should be coordinated with the redevelopment of the other assets to avoid duplicating expenses and efforts.

TABLE 4: SUMMARY OF NET FINANCIAL POSITION (\$)

Capital Costs	55 ByWard	70 Clarence	70 Clarence Parking	York Street Plaza
Total Construction Costs	40,259,322	71,199,895	51,490,552	34,247,154
Funding Available	1,600,000	-	7,235,355	-
Financing Required	38,659,322	71,199,895	44,255,197	34,247,154
Total Revenue	165,381,698	429,866,370	78,669,653	37,748,671
Total Operating Expenses & Lifecycle Costs	(108,565,884)	(236,209,302)	(54,790,350)	(28,382,177)
Net Operating Income	56,815,813	193,657,068	23,879,303	9,366,495
Debt Payments (Int. & Princ.)	(81,058,374)	(149,287,351)	(92,791,444)	(71,807,224)
Net Cashflow	(24,242,561)	44,369,717	(68,912,141)	(62,440,729)
Total Net Cashflow		(111,225,715)		
NPV of Net Cashflow		(\$45,944,523)		

1.4 Additional Scenarios and Considerations

Recognizing the importance of maximizing value, alternative scenarios beyond the City's functional program and visions were developed to unlock additional opportunities for significantly improving the financial performance of the assets. As the design process moves forward, these scenarios should be carefully considered to ensure the assets deliver their full potential value.

Consider leasing versus selling residential space at 70 Clarence

Current analysis indicates that, based on current construction cost estimates, leasing the residential units over the 40-year operating period may result in a more favourable long-term financial outcome compared to selling the units at current market rates. As design development progresses and more detailed construction estimates become available, the financial outlook may shift accordingly. Additionally, given the unique character of the proposed building as a landmark or destination development in the ByWard Market, further assessment of achievable selling prices will be necessary to validate this scenario.

Increase footprint of residential space at 70 Clarence

Given the positive financial outlook of leasing retail and residential space at 70 Clarence, further analysis was conducted regarding removing the set-back in the current design for residential space on the 4th and 5th floor to match the total area of the 3rd floor. This scenario leads to nearly a 3-times increase in the net cashflow generated over the 40-year operating period.

Charge market rate rents at 70 Clarence

Financial analysis shows that discounting the leases of large tenants (such as the Community Art Hub space) at 70 Clarence leads to a negative NPV of cashflow, compared to a positive NPV when charging market rates. This should be considered when designing niche spaces intended for large tenants. If lease agreements are not secured during the detailed design phase, the spaces should be designed with flexibility in mind allowing for future partitioning. This approach will reduce the City's reliance on a small number of large or specialized tenants and help mitigate financial risk.

Consider removal of subterranean parking from Program

Including subterranean parking in the preliminary functional program does not align with the BMPPR's principle of prioritizing pedestrians over vehicles. The BMPPR does not require replacement of the 70 Clarence parking facility within the same footprint and recommends avoiding new parking within the Market core. Analysis shows the proposed underground lot would result in a net loss of approximately \$68.9 million over 40 years, suggesting limited financial viability. Removing it could reduce construction complexity in the heritage area and allow funds to be redirected to other BMPPR priorities, though this may increase the risk of reduced parking supply if nearby private lots are redeveloped.

1.5 Conclusion and Next Steps

In conclusion, the financial analysis indicates that with targeted adjustments to the functional program, there is potential for this Project to achieve a financially sustainable outcome across the asset portfolio while supporting the vision laid out in the BMPPR.

The following steps have been identified before the City significantly progresses design on the Project:

Request for Expressions of Interest (RFEOI)

Issue a private RFEOI to explore developer interest, potential partnership models, and feedback on the financial and market viability of the current program, informing future delivery decisions.

In March 2022, the City launched a RFEOI for the redevelopment of 70 Clarence Street and the creation of a new destination building. The initial RFEOI generated limited industry response and did not provide sufficient input (such as a detailed program) to advance the objectives of the BMPPR. Since that time, the City has undertaken substantial preparatory work, including the development of a detailed functional program, the establishment of a clear vision, the setting of a realistic budget, and the creation of a procurement strategy. With these foundations in place, issuing a private RFEOI could yield more meaningful engagement by exploring developer interest, potential partnership models, and feedback on the financial and market viability of the current program, ultimately informing future delivery decisions.

Further Engagement with Federal Government

Initiate discussions with the federal government to explore funding opportunities, consider opportunities for partnering with the Anishinaabe Algonquin Host Nation, and assess potential partners interest in securing space, a key factor for achieving market rents and financial viability.

Assess ByWard Market District Authority (BMDA) Capacity and Operating Model

Assess BMDA's capacity to operate an expanded asset portfolio, including revisiting its service and funding agreement, and evaluating its ability to activate event space at 55 ByWard, 70 Clarence and York Street Plaza to support financial sustainability.

Overall, this is a complex initiative involving multiple City departments and external stakeholders. As the City moves forward, it will need to carefully assess the right balance between long-term financial feasibility and the broader social, cultural, and economic value of maintaining these sites as publicly owned community assets that contribute to tourism, local business, and public life in Ottawa.

Section 2: Background and Objectives

2.1 Introduction

The ByWard Market, one of two publicly owned public markets in Ottawa, is a popular resident and visitor destination as well as a prominent commercial hub in the heart of Ottawa's downtown core. Ottawa's Official Plan (OP) designates the ByWard Market as a city-defining Special District, recognized for its unique cultural and economic development context. Conserving heritage and enhancing the public realm will reinforce the area's economic, cultural, and social importance. Recognizing this, City Council established the ByWard Market Public Realm Plan (BMPPR) in January 2021 guided by the following principles:

- Create a bold and memorable public environment to celebrate the Market and the area's unique character;
- Pedestrians First;
- Enhance the Visitor Experience;
- Beautify the Market;
- Welcome Everyone;
- Support Businesses; and
- Balance the needs of residents/tourists and business/residents.

Among the many proposed improvements to the district, the BMPPR envisions the replacement of the parking garage at 70 Clarence Street with a new **destination building**, the revitalization of the historic public market building at 55 ByWard Market Square and the creation of a new public space abutting the two buildings known as the York Street Plaza.

The BMPPR included a recommendation to undertake a governance review of the ByWard Market to address the multilayered jurisdictional structure and improve the management of the programming and operations of the area to deliver an improved experience. Additionally, there has been a stated intention by stakeholders to reclaim the market as the commercially vibrant destination it had been historically.

In March of 2022, the City of Ottawa (the City) launched a Request for Expressions of Interest (RFEOI) for the opportunity to redevelop 70 Clarence Street and create a new destination building. The results of the RFEOI process did not generate a significant amount of industry response to advance the directions of the BMPPR. Considering the RFEOI response, the City is taking a strategic approach to better understand current market conditions and operator needs.

City staff have identified this as a once-in-a-generation opportunity to re-envision the heart of the ByWard Market. The intent is to reinforce the unique heritage character of the ByWard Market, bolster the neighbourhood farmers market and businesses, offer public benefits to the surrounding community and appeal to visitors and residents alike.

The City has engaged Colliers Project Leaders (Colliers) in collaboration with Parsons, Hobin Architecture Incorporated, and ND Management (the Consultant Team) to conduct a feasibility analysis requiring the following scope of work:

- A parking and sub-surface analysis that confirms whether below grade parking at 70 Clarence Street, the York Street Right-of-Way (ROW), 55 ByWard and the William and ByWard Market Square ROW is feasible;
- A preliminary functional program with rough Order of Magnitude Costs (ROM) for the redevelopment of 70 Clarence Street, rehabilitation of 55 ByWard Market Square, construction of York St Plaza and the below grade parking structure;
- A construction phasing and implementation framework for the redevelopment of 70 Clarence Street, rehabilitation of 55 ByWard Market Square, and the construction of the subterranean parking garage and York Street Plaza;
- A detailed financial business case that models the preliminary functional programs being proposed and determines the City's net financial position; and
- A high-level procurement strategy which will guide the City's future RFP process for the delivery and operations of the preferred development scenario.

2.2 Objectives

The City wants to undertake a feasibility analysis for the redevelopment of key municipal assets located in the ByWard Market. The recommended scenario must be constructable, commercially viable, attract private market interest, and able to support the objectives of the BMPPR.

The goal for the ByWard Market is to create a destination hub by transforming 55 ByWard Market Square, 70 Clarence Steet, and the York Street Plaza into a location centered on food retail, additional commercial offerings, a curated outdoor public market, and quality public spaces for small and large events. This is a catalytic opportunity to reimagine the ByWard Market to support commercial vitality in the area, add public benefits and appeal to visitors and residents alike.

The financial business case will consider the following objectives, as defined by the City:

- Alignment with the BMPPR;
- City ownership retention of assets;
- Minimize capital spend;
- Align phasing with 200th anniversary market celebration;
- Align with Six 'Big Moves': Key Transformative Design Concepts;
- Increase Public & Programable Space;
- Increase economic activity ; and

- Provide public benefit.

2.3 Assets Under Consideration

The following locations are being analyzed for the business case, also referred to as the *assets*:

- 55 ByWard Market Square
- 70 Clarence Street
- York Street Flex Plaza and York Street Market Plaza (York Street Plaza)

The progression of feasibility, design and eventual construction of these assets is referred to as the *Project*. **Figure 1** below shows the approximate location and of the assets.

FIGURE 1: LOCATION OF ASSETS



55 ByWard Market Square

The market building at 55 ByWard Market Square (55 ByWard) is a two-storey brick structure with a gable roof, designed in a Classical Revival style. Key architectural features include evenly spaced square-headed windows on the second floor, a moulded sheet metal cornice running along the perimeter, and prominent two-and-a-half-storey semi-circular arched entrances located within the cross and end gables. The defining element of its identity as a market building is the wide metal canopy at ground level that wraps around the exterior.

Currently, 55 ByWard is not being utilized to its highest and best potential. The current layout of the building has seen a slow encroachment of retailers and food vendors reducing the publicly useable space. In addition, the second floor has been largely vacated due to a lack of clear connection to the ground floor. The BMPRP calls for a renewed focus on revitalizing the market's core purpose, emphasizing the need to "put the market back into the market." It also highlights the importance of reinforcing the existing structure as a **key anchor** and destination within the district.

In response, the vision for the building is to reimagine the space as a vibrant and experiential food retail destination. Retail market research supports this direction, suggesting that the building could succeed as a curated, experience-driven market hub. These interventions aim to revitalize the building as a vibrant, all-season public destination within the ByWard Market District.

70 Clarence Street

FIGURE 2: 70 CLARENCE STREET



The existing structure at 70 Clarence Street occupies a footprint of approximately 4,300 m² and includes a City-owned four-storey parking structure with 289 stalls, along with ground-floor retail units totaling 1,114 m². The site falls under Official Plan Schedule C6-A and intersects a protected view plane, which restricts the allowable building height. It is also designated as a non-contributing property within the ByWard Market Heritage

Conservation District.

70 Clarence is currently in deteriorating condition and requires an estimated \$29 million to maintain safety and serviceability of the garage until the end of 2030. These capital expenditures will be evaluated on their criticality for completion during the identified timeframe. The requirement for completion of the work will be based on actual performance and condition and may be deferred to future years.

The southern portion of the structure currently encroaches into the broad right-of-way associated with the York Street Market Plaza. The long-term vision for 70 Clarence is to redevelop it into a mixed-use destination building that complements the surrounding public realm and respects protected sightlines to Parliament Hill. Design considerations include alignment with heritage conservation district requirements, setbacks to improve public realm engagement, and provision of active ground-floor uses to animate the

streetscape. In alignment with this vision, the City has coordinated with Asset Management to defer non-essential parking structure maintenance where feasible.

York Street Plaza

FIGURE 3: YORK STREET PLAZA



Located on York Street between Sussex Drive and William Street, the York Street Plaza is envisioned as a key feature of the ByWard Market. York Street is currently a municipal road with street parking and limited pedestrian-focused amenities. It occasionally serves as event space, or is used for temporary installations, and is not yet the active, pedestrian-oriented plaza envisioned in the BMPPR. Designed as a flexible pedestrian-focused

promenade, the plaza will accommodate a wide range of events from large scale gatherings to everyday public use. Its “tabletop” design will eliminate curbs to create a flat, accessible surface within the plaza, reinforcing its pedestrian orientation.

The York Street Plaza has been included in this feasibility study and financial business case in light of the City’s planned infrastructure work in 2028, which includes integrated road, sewer and water upgrades. Coordinating the plaza’s construction with this broader infrastructure Project is expected to reduce overall costs, as the reinstatement of the road as a plaza would be less expensive than if completed independently.

2.4 Prior Works Completed

In an earlier phase of work, Colliers published the *Business Case for the ByWard Market Public Realm Plan Implementation* for the City that included an analysis of bundling key elements of the BMPPR, various development scenarios, market viability, and related incentives the City may offer to support implementation and project delivery.

Table 5 provides a high-level summary of the options considered:

TABLE 5: OPTIONS CONSIDERED PREVIOUSLY

Ref	Option	Description
1	Base Case	<ul style="list-style-type: none"> • 70 Clarence: No Change to Current Use • 55 ByWard Market: No Change to Current Use
2A	High-Rise Mixed-Use Development with City Parking	<ul style="list-style-type: none"> • 70 Clarence: Mixed-Use High-Rise Development (13 Storeys above grade) with City Parking • 55 ByWard Market: Flexible Market Space

2B	High-Rise Mixed-Use Development Without City Parking	<ul style="list-style-type: none"> • 70 Clarence: Mixed-Use High-Rise Development (13 Storeys above grade) without City Parking • 55 ByWard Market: Flexible Market Space
3A	Mid/Low-Rise Mixed-Use Development With City Parking	<ul style="list-style-type: none"> • 70 Clarence: Mixed-Use Low-Rise Development (5 Storeys above grade) without City Parking • 55 ByWard Market: No Change to Current Use
3B	Mid/Low-Rise Mixed-Use Development Without City Parking	<ul style="list-style-type: none"> • 70 Clarence: Mixed-Use Low-Rise Development (5 Storeys above grade) without City Parking • 55 ByWard Market: No Change to Current Use
4	Mid/Low-Rise Market Expansion & Flexible Space	<ul style="list-style-type: none"> • 70 Clarence: Market building (4 Storeys above grade, 5 Storeys in height) with City Parking • 55 ByWard Market: Flexible Market Space
5	Mid/Low-Rise Events Venue & Flexible Space	<ul style="list-style-type: none"> • 70 Clarence: Events Venue with City Parking (4 Storeys above grade, 5 Storeys in height) • 55 ByWard Market: Flexible Market/Events Space

From the options considered, Option 4 and Option 5 met most of the City’s objectives for public realm enhancement and community activation and was used as a **starting point** for the functional program and design.

Option 4 – Market Expansion – City as Developer

This option has the potential to achieve the most objectives against the BMPRP. However, this option will require the City to fund, design, and take responsibility for programming and maintenance of the assets. This option may result in a potentially lengthy design and procurement phase given the detailed design necessary, as well as the engagement required for a redevelopment of this character. There is an opportunity for the City to program all-day, all-season events and make the market a vibrant destination year-around.

Option 5 – Events Venue – City Partners with Operator

This redevelopment option can achieve many of the objectives of the BMPRP. There is an opportunity to create a destination within the City. However, the operator would have meaningful influence over design characteristics on the site, and the City would need to tailor redevelopment to their unique needs. A long-term lease may be challenging to negotiate and the market for an events/entertainment owner/operator is limited, reducing competitive tension.

This analysis and recommendations helped create a point of reference for the City to begin the functional program and the financial business case.

2.5 Guidance from the BMPRP

The BMPRP was fundamental to guiding the discussions and development of the functional programs for the assets. Specifically, these are some of the ways in which the feasibility analysis was impacted by plan:

- Maintain and enhance the farmer’s and outdoor market as it is the heart and economic cornerstone of the ByWard Market Special District;
- High quality materials to be used for construction, design references to heritage of area;
- Incrementally, reallocate space currently dedicated to vehicles, including parking lots, around the historic market building and surrounding sections of York, George and William Streets. Redesign the public rights of way in accordance with the BMPRP;
- Introduce broad pedestrian promenades on the north sides of York, George and Clarence Streets, where sun exposure is highest. The role of each street will be unique with York Street equipped to accommodate the widest variety of events, George Street providing family friendly amenities and gathering spaces and Clarence Street will accommodate patios;
- The parking structure at 70 Clarence Street will be a site considered for a future destination building that complements the existing Market building; and
- Replace 70% of all lost parking within the ByWard Market area due to the repurposing of the 70 Clarence parking garage and York St reconstruction projects. The city is committed to replacing the loss of parking with new parking, to be located outside of the Market core. The parking will be convenient to the Market without compromising its new, pedestrian focus.”

In addition, the ByWard Market District is subject to Official Plan Schedule C6-A – and intersects a protected view plane. At the point of the 70 Clarence site, this view plane passes over the site at an elevation of approximately **23 metres** above existing grade. The view plane forms part of the Ottawa Official Plan to provide an unobstructed view corridor between the eastern and western points. While Council could decide to allow additional height through OPA and ZBA applications, preliminary consultation indicated that City policies do not support exceeding the view protection plane.

FIGURE 4: PROTECTED VIEW PLANE



2.6 ByWard Market District Authority

When considering the net financial impact to the City, the role of the ByWard Market District Authority (BMDA) must also be considered.

The BMDA is a Municipal Services Corporation (MSC) and not-for-profit corporation working in partnership with the City to operate the ByWard Market District and maintain service standards. The BMDA is also responsible for maintaining the service standards of the public realm of the Parkdale Public Market’s operating boundary.

The City and the BMDA rely on a service agreement to determine service responsibilities and standards in the ByWard Market District. The agreement, finalized in May 2024, also states BMDA's opportunities and limitations regarding its operations. The mandate of the BMDA is to improve the visitor experience by providing the highest level of service for cleanliness, business advocacy, maintenance, beautification, community safety and repairs.

Per the agreement, BMDA is responsible to sublease and collect rent from the units at 55 ByWard, 70 Clarence Street, Parkdale Field House, and to operate the outdoor plazas (Ottawa Sign, William Street, York Street Plaza, William Street Plaza, EQ3 Plaza, George Street Plaza).

Per the agreement, BMDA assumes the full responsibility for the property management of the locations including tenant mix, rates and all matters associated with tenancies. Amounts required for lifecycle requirements (distinct from obligations for payments with respect to maintenance, operations and other required repairs) are planned, funded, and delivered through the City.

Per the service agreement, the City supports the BMDA with an annual funding contribution of \$800 thousand. **Table 6** below summarizes the operating income of BMDA. In 2024, the BMDA earned approximately \$3.9 million in revenues. The increase in revenues in 2024 was attributed to the first contribution payment made in May 2024. The increase in expenses was largely attributed to an increase in remuneration (staffing) and advertising.

TABLE 6: OPERATING INCOME OF BMDA

Item	2024	2023
Revenue		
Indoor (Rents)	\$1,892,084	\$1,853,790
Grants and other revenues	\$1,170,104	\$195,033
Outdoor - ByWard	\$367,994	\$313,568
Outdoor - Parkdale	\$186,615	\$197,799
Outdoor - Other	\$15,104	\$23,964
Deferred Contributions	\$17,896	\$17,896
City Service and Asset Agreement	\$211,981	\$149,029
Total Revenue	\$3,861,778	\$2,751,079
Direct Operating Expenses		

Indoor (Recoverable)	\$944,073	\$929,786
Indoor (non-recoverable)	\$262,807	\$196,144
Parkdale Market	\$268,413	\$15,861
ByWard Market	\$268,132	\$149,914
Other	\$8,620	\$19,375
Total Direct Operating Expenses	\$1,752,045	\$1,311,080
Gross Profit	\$2,109,733	\$1,439,999
Expenses	\$1,746,530	\$1,202,969
Net Operating Income	\$363,203	\$237,030

Per the 2024 financial statements, the BMDA is entitled to rental revenue under existing lease agreements. These outstanding lease agreements, as shown in **Table 7** should be considered as BMDA may be entitled to these payouts if the leases are forced to be terminated early.

TABLE 7: REMAINING LEASE AGREEMENTS WITH BMDA

Year	Total Lease Buyout
2025	\$622,647
2026	\$501,960
2027	\$460,272
2028	\$202,077

For 2025, the BMDA has forecasted a total of approximately \$1.9 million in revenues from 55 ByWard and 70 Clarence as shown in **Table 8** below, not including the funding contribution. In addition, BMDA posted approximately \$368 thousand of event revenues (listed as outdoor revenue) in 2024 which are not guaranteed for 2025 but serve as a basis for future revenue potential.

TABLE 8: EXPECTED REVENUES FOR BMDA IN 2025

Item	55 ByWard	70 Clarence	York Street
Revenue			
Annual Rent	\$554,840	\$400,806	-
Annual Operating Costs	\$555,933	\$139,232	-
Annual Property Tax	\$166,649	\$82,136	-
Outdoor Event Revenue	-	-	\$367,994
Total Revenue	\$1,277,423	\$622,125	\$367,994
Direct Operating Expenses			
Direct Operating Costs + Property Tax	\$751,261	\$220,192	\$268,132

For the purposes of this report, the current agreement between the BMDA and the City of Ottawa is treated as the mechanism for operating the ByWard Market assets. However,

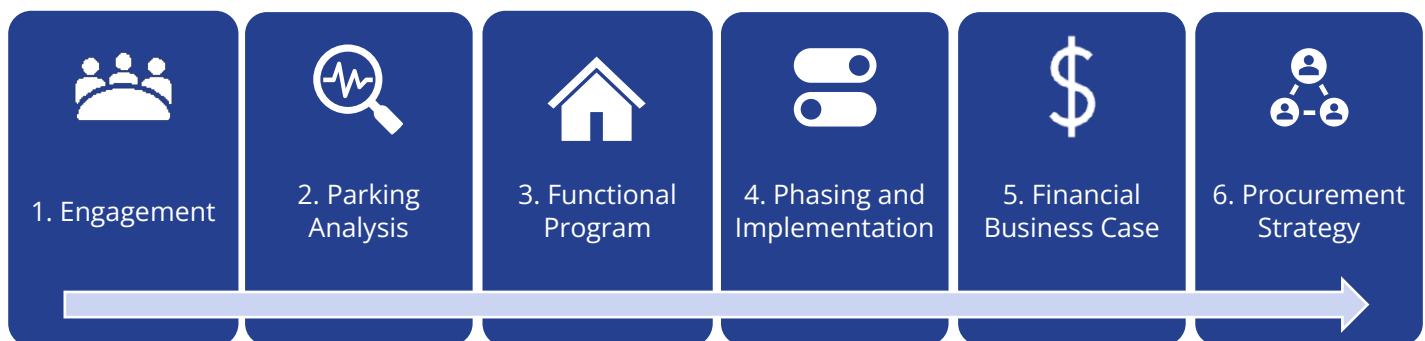
given the scale of the City's potential investment, this agreement may need to be revisited. Future negotiations should consider how increased revenues and operating costs will impact BMDA's responsibilities and funding agreement. The financial analysis evaluates revenues and costs from a **consolidated City-wide** perspective to reflect the full operational picture. Any amendments to the agreement, including potential changes to funding levels or responsibilities, will need to be determined jointly by the City and BMDA at a later stage. As per the existing terms, the City may terminate the agreement for convenience with a minimum of 90 days' written notice.

Section 3: Methodology

3.1 Overview of Methodology

As summarized in **Figure 5**, a comprehensive approach was used to guide the development of this report. The methodology integrated stakeholder engagement, functional programming, market and policy context review and financial analysis to provide a holistic understanding of the opportunity.

FIGURE 5: BUSINESS CASE METHODOLOGY



Project Management and Engagement: A Project kick-off meeting was held, as well as various bi-weekly and progress meetings between the City and the Consultant Team. The Consultant Team engaged with the City to identify key stakeholders, develop a stakeholder register and create an engagement strategy. In addition, the Consultant Team conducted meetings with City leadership, community stakeholders and potential tenants to gather insights and expectations, define the mission, vision, and values to ensure alignment with strategies and goals.

In addition, the following in-person workshops were held:

- Workshop 1 – Visioning Session
- Workshop 2 – Design Charette
- Workshop 3 – Financial Business Case

Parking and Subsurface Analysis: Parsons led the project team in assessing the feasibility of implementing a parking structure below 70 Clarence St., York Street ROW, 55 ByWard Market Sq., William St. and/or ByWard Market Sq. ROW. This included developing potential below grade parking structure layouts and providing input on ingress/egress locations, slopes of ramps, sightlines, vehicle turning movements. Using this parking and subsurface analysis, a conceptual layout for the below grade parking structure was developed.

Functional Program: Using feedback from the City and insights gathered from the workshops and the BMPRP, the Consultant Team prepared a preliminary functional program for the assets and subterranean parking structure.

In addition, the Consultant Team provided ROM costs for the redevelopment of 70 Clarence Street, rehabilitation and reuse of 55 ByWard Market Square, below grade parking structure and the York Street Plaza (per the BMPPR) using the Altus Cost Guide and local comparables.

Construction Phasing and Implementation: Parsons, drawing upon their broad experience in delivering city-integrated renewal projects, established anticipated construction timelines to help inform the implementation framework and identify projects, or components of projects, that may be delivered prior to the 200th anniversary while minimizing the impact to the Market and optimizing cost and scheduling efficiencies.

Financial Business Case: Building upon previous work completed, the financial business case has been developed to:

- Determine the net financial position of the City; and
- Identify and recommend private sector partnership and/or investment opportunities unique to each asset; and

This mandate involved exploring potential partnership opportunities for infrastructure delivery and operations by conducting a Quiet Market Sounding to gauge interest in the proposed partnership opportunities.

Using all information and resources gathered from engagement sessions, a financial model was built to determine the overall net financial impact the Project will have on the City.

Procurement Strategy: Last, a high-level procurement strategy of the approach for the municipal assets, including consideration for the design and construction requirements, social procurement objectives, and financial partnerships, was developed congruent with the phasing and build strategy. This includes an indicative procurement schedule, including identifying the timelines and procedures for disseminating an RFP/tender documents and coordinating the receipt of bids. The procurement strategy memo has been issued as a separate document.

3.2 Project Management and Engagement

As part of the Project Management Phase, the Consultant Team delivered three (3) in-person workshops with City stakeholders. The workshops were used to clearly define the assets being redeveloped and guide design of the functional program. The purpose and outcomes of the workshops are described below.

3.2.1 Workshop 1 – Visioning Session

The purpose of the Visioning Workshop was to understand the current state of the project and define a vision for redevelopment of the ByWard Market, building on the BMPPR, and considering current context. The primary objective was to collectively define a ‘road map’ to achieve desired outcomes. The following themes were discussed:

- Can the required 70% replacement parking at 70 Clarence St. be reduced or moved elsewhere?
- Can height restrictions be relaxed to allow for increased density and new uses (e.g., residential, event/retail space)?
- How will the redevelopment costs be funded and what portion can the City contribute?
- City to retain ownership of all assets and lease to operator. Are there opportunities to sell any assets? Does private ownership of any of the assets provide benefits and what are they?
- What is the *Market*?

The following key insights were derived from Workshop 1:

General Insights

- Businesses want on-site parking, even though this may not align with the BMPPR;
- Revenues need to be clearly identified to support the business case;
- Sponsorship opportunities could help fund assets; and
- Meaning of the market: “Local”, “Ours”, “Honoring the past”, “Incubator”, “Gathering”, “Inclusivity”, “Culture”, “Historic”, “Diversified”, “Destination”, “Ottawa core”.

55 ByWard

- City will retain ownership;
- The building needs more space to accommodate larger tenants; and
- This is an opportunity to work with long-standing, nostalgic businesses as core tenants.

70 Clarence Street

- 12 to 13 storeys may be optimal for developers, but current zoning height limits are very strict;
- Including affordable housing could unlock funding opportunities from the City;
- Lifecycle costs for the current building are high and required to maintain the building until 2028;
- Redevelopment could be supported using the City’s parking reserve fund **if** parking is included; and
- City flexible with the idea of possibly selling 70 Clarence if it makes financial sense.

3.2.2 Workshop 2 – Design Charette

The purpose of the second workshop, the Design Charette, was to provide feedback for functional programming and concept design, propose options to support financial feasibility, and collaborate on the integration of a renovated 55 ByWard and redeveloped 70 Clarence into the BMPPR. The primary objective was to identify the possible ways

forward for a successful ByWard Market redevelopment, aligned with the BMPPR. The following topics were also discussed:

- Tools and levers the City can use to offset project costs;
- Operational issues, such as loading and parking.

The following key insights were derived from Workshop 2:

- ByWard market doesn't require extensive residential space; it should preserve the historic and cultural heritage component for the wider residents of Ottawa;
- Need to unlock financial potential without building high-rise [above the View Plane] developments;
- Build for locals first – visitors will follow;
- Include local businesses as year-round anchor tenants;
- Tourists value authentic and local experiences;
- Need for family-oriented amenities;
- Concept of an “adult playground” that activates the public realm for enjoyment and social interaction;
- While important, the current focus on financial return is undermining the Market's charm. Need more consideration for having the “right” anchor tenants for the Market versus those who can afford it; and
- The City may be open to balancing capital needs with public benefit.

3.2.3 Workshop 3 – Financial Business Case

The objective of the third workshop, the Financial Business Case, was to bring in Subject Matter Experts to provide an overview of the redevelopment options available, understand the financial tools available to the City to fund development, and brainstorm tools and levers the City could use to offset project costs

The following key insights were derived from Workshop 3:

70 Clarence

- Lease rates are stabilizing and, in some cases, lowering, which may present a challenge for financial feasibility;
- Preference to investigate as a City managed asset but interested in the benefits of partnering with the private sector to construct and operate.

55 ByWard

- Preferred option is a deep retrofit.

Other Insights

- Capital to be funded using debt bonds issued for 40 years at 4.25%.

3.3 Parking and Subsurface Analysis

This section provides a summary of the Parking and Subsurface Analysis report completed in April 2025 guiding some of the decisions made when designing the functional program. For additional details, see the *ByWard Market Feasibility - Parking and Subsurface Analysis Memorandum*.

The purpose of the report was to identify implications, both surface and subsurface for the redevelopment of 70 Clarence Street, 55 ByWard Market Square and York Street Plaza as part of the BMPRP. It was also to confirm the feasibility of constructing a subterranean parking structure beneath 70 Clarence Street and York Street Plaza.

Four parking replacement options were identified at 70 Clarence based on a review of parking needs and the direction provided in the BMPRP:

- Option 1: 144 spaces (Reduced Footprint, Widened York St ROW)
- Option 2: 176 spaces (Existing Footprint, Existing York Street ROW)
- Option 3: 204 spaces (Encroachment into ByWard Market Sq and William St ROW)
- Option 4: 286 spaces (Encroachment into ByWard Market Sq, William St, and York St ROW)

Due to the repurposing of the 70 Clarence parking garage and York Street reconstruction projects, and the mandate of the BMPRP to replace 70% of lost existing parking, 228 parking spaces should be replaced as per **Table 9**.

TABLE 9: PARKING SPACE TO BE REPLACED AT 70 CLARENCE

Location	Description
70 Clarence Garage	289 spaces lost
York Street Plaza	36 lost spaces ¹
Total Spaces Lost	325 spaces lost
Parking to be Replaced (70%)	228 spaces to be replaced

However, the BMPRP does not require that parking be replaced within the same footprint. In fact, it recommends avoiding parking replacement within the core area of the ByWard Market. Current analysis indicates that there is already **sufficient residual parking capacity** available either on nearby streets or within surrounding off-street parking garages, all located within walking distance from 70 Clarence.

Of the four parking options evaluated, Option 1 was considered the preferred approach based on subsurface conditions. This option includes 144 spaces across two levels of

¹ York St from Sussex Dr to William St. Lost Parking Supply = 58 spaces (existing) - 22 spaces (future) = 36 lost spaces

underground parking. It avoids encroachment on adjacent municipal roadways and minimizes risks related to servicing and constructability. It also allows for better separation and placement of underground infrastructure. Option 2, which would include 176 spaces over two levels, similarly avoids interference with road infrastructure but carries additional risks and complexities. It should only be considered if future demand clearly justifies the need for more parking.

Option 1 aligns with the objective of maintaining access to affordable parking while reducing vehicle circulation in the core market area. This supports the BMPRP's focus on prioritizing pedestrians. While Option 1 does not meet the 70 percent parking replacement target, additional supply could be drawn from existing capacity or future subsurface parking elsewhere in the ByWard Market. This would remain consistent with the broader mandate to limit vehicle presence in the heart of the district.

Although Option 1 was considered the preferred solution in the Parking and Subsurface Analysis report, it was not the direction taken by the City for the functional program. Through discussions in the Design Charette, it was decided that full replacement of parking was not necessary but that no replacement to parking was also unacceptable. The ultimate decision included into the functional program was a parking structure that extends 12.7 metres to the south of the above grade property line, roughly to the southern extents of the existing building. This results in a two-level parking garage layout providing 92 and 88 spaces respectively, for a total of 180 parking spaces, including 8 accessible spaces.

3.4 Summary of Decisions Informing the Functional Program

The following section summarizes key discussions and decisions about intended program use and ownership which shaped the functional program.

55 ByWard

Following discussions with the City, the proposed design strategy for the existing ByWard Market Building focuses on building upgrades and maintenance, along with targeted interventions to optimize the space for a smaller number of anchor tenants while restoring a substantial portion of the building for flexible public use. Through consultations with the City's Heritage, Planning, and Urban Design teams, as well as with the BMDA and Bloomberg regarding tenancing strategy, it was confirmed that 55 ByWard will remain City-owned, with operations to be managed by the BMDA.

70 Clarence

In response to direction from the City and input from the Advisory Committee during the February 2025 Design Charrette, the consultant team was tasked with developing a compelling functional program and plan for a landmark public amenity building at 70 Clarence. The vision from stakeholders includes below-grade public parking, a community-oriented visual arts space (Community Art Hub) and a cultural venue to host a major public institution gallery, such as the National Portrait Gallery. The proposed building height will

align with the parameters of the Protected View Plane, preserving Ottawa’s iconic sightlines while maximizing civic impact.

Parking

A fourth option for the subterranean parking structure was suggested by City of Ottawa Transportation Engineering Services in April 2025 when commenting on the Draft Parking and Subsurface Analysis Memorandum, “... suggest adding Option 4 - York St ROW, with no expansion onto William or ByWard Market be considered for review, especially by Asset Management/IWS in conjunction with their upcoming renewal project.” This suggested alternative was considered by Parsons, who commented, “The 70% [parking replacement] target was intended to be holistic... and providing less [parking spaces] at this location [70 Clarence St] is acceptable given the noted constraints and ultimate vision.” For the final Parking and Subsurface Analysis Memorandum, Parsons created OPTION 2 which represents the city's proposed Option 4 [encroachment to the York Street ROW but no encroachment to William St. or ByWard Market Square]. Parsons did not change their recommendation but added this concept, which was included the Functional Program and Concept Design and the parking layout for this new option was refined by the architect.

Artist Housing

On May 2, 2025, the City’s ByWard Market Public Realm Office staff provided confirmation of direction to look at including artist affordable housing at 70 Clarence, below the 23 metres protected view corridor height limit for the building. The City stated it is interested in “exploring this option so long as it makes sense from a financial business case point of view. I.e., it should help us achieve additional funding sources and not add a significant financial risk to the option.

3.5 Functional Program

This section summarizes the functional program for 55 ByWard and 70 Clarence, completed in July 2025. For additional details, see the 2. *ByWard Market Feasibility - Functional Program and Concept Design Report*.

The programs are conceptual and intended to guide the business case. While they establish preliminary design objectives, spatial requirements, functional relationships, and operational considerations, further definition and refinement will occur through detailed design phases and public consultation. These future steps will ensure the spaces meet user needs and achieve architectural excellence.

3.5.1 Functional Program for 55 ByWard

The functional program for 55 ByWard includes a basement, ground floor, and second level. Externally, the most notable proposed change involves adding two rooftop terraces, one overlooking George Street and the other facing York Street. These terraces are intended to provide outdoor seating areas for two new second floor restaurant tenants.

Although the building’s lower roofline contributes to its heritage character, the proposed terraces are designed to respect and preserve the defining eave line that creates the

building's distinctive "hat" profile. To accommodate access, new doors would be added below the existing window openings in the brick façade. Given that the windowsills are approximately 2.3 meters above the finished floor, these modifications can be made without altering the original window frames. Low profile guardrails would be used to minimize any visual impact on the building's heritage features.

At street level, the design aims to retain the character of the existing curtain wall and overhead doors. While some recessed entrances may be adjusted, the primary access points are expected to remain largely unchanged.

Basement Level

FIGURE 6: BASEMENT LEVEL FOR 55 BYWARD



The basement level at 55 ByWard proposed significant challenges and uncertainty to the project. The general approach proposed focuses on the following items:

- Address deficiencies in the Building Condition Audit. This includes items such as spalled concrete and end of life mechanical equipment;
- Link the north and south basements with new basement area under the central hall. This includes excavation for the new elevator and provision of some new storage area;
- Clean up and consolidate areas that can be used for tenant and facility storage; and
- Update of building systems such as electrical distribution and domestic plumbing.

Ground Level

FIGURE 7: GROUND LEVEL FOR 55 BYWARD



The most significant design intervention proposed for 55 ByWard is the restoration of the central hall for public use. The plan involves removing most tenancies between the two crossings, allowing most of the central hall to function as a public food and event space.

A new feature stair is proposed within the hall to improve access to the mezzanine level. In addition, a new elevator and non-gendered public washrooms are included in the renovation scope. To support event functions, a dedicated ground floor storage area would also be added.

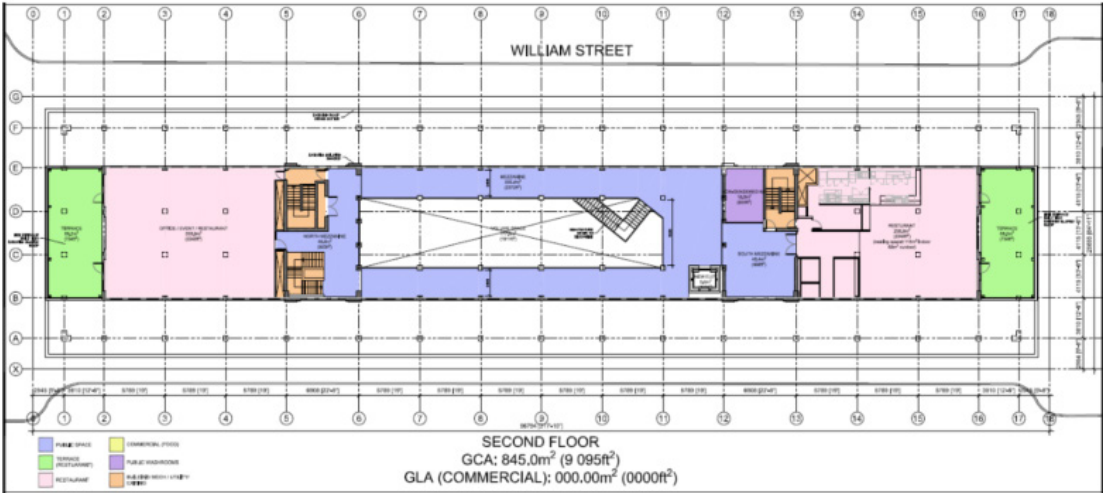
Minor revisions are proposed to the building’s exterior envelope in three main areas. First, adjustments to sections of the ground floor curtain wall are intended to reduce the number of public entrances to the central area. Second, the existing overhead doors, which are nearing the end of their useful life, are slated for replacement. Third, and most notably, new skylights are proposed to brighten the space and create a more welcoming atmosphere, especially during the winter months.

Two anchor spaces are planned at ground level, which will be decided through a transparent procurement process as the project progresses. A bakery and café space will continue to anchor the York Street end, while a new single-tenant space at the south end will be reserved preferably for a locally owned grocer or food-focused vendor.

Within the public food hall and event area, space would be available for two to four small kiosk vendors offering food or beverages. These vendors should not require commercial extraction systems or generate grease vapour. Importantly, the layout will be designed to maximize visual connection between the interior hall and the exterior walkway at William Street and ByWard Market Square.

Second Level

FIGURE 8: SECOND LEVEL FOR 55 BYWARD



The existing north and south hall areas on the second floor are proposed to be renovated to accommodate two full-service restaurants, each with access to a dedicated outdoor terrace. The renovation would include base-building upgrades to support these spaces, while interior fit-up would be completed by the future tenants.

Loading Facilities

Based on discussions with prospective retailers, the lack of adequate loading space has been identified as a major barrier to operating within the 55 ByWard. To better support both retailers and event space functions, a new dedicated loading area is proposed near the southwest corner of the building. As the design of the existing building posed a challenge to incorporating loading directly into the building without interrupting the heritage roofline, the most acceptable solution is to provide a minimalist dedicated space and slightly elevated dock adjacent to help facilitate delivery operations.

It will be important to ensure that this loading space remains accessible during periods when the streets surrounding 55 ByWard operate as pedestrian zones, particularly in the summer.

A summary of the functional program is provided in below in **Table 10**:

TABLE 10: FUNCTIONAL PROGRAM SUMMARY FOR 55 BYWARD

Space	Area (ft ²)
Public/Circulation	9,692
Commercial Space (Vendors, Food, Kiosks)	13,375
Office / Restaurant Space	4,497
Public Washrooms	673
Building Mech / Utility	2,971
Gross up Space (Unaccounted for)	5,061
Building Total	36,269

The proposed functional program aligns directly with the *Support Businesses* Principle of the BMPRP, which recommends the following: support ByWard Market as a distinct food retail experience, reinforce the heritage market building as an anchor to the district, provide space for outdoor Market stalls, provide space for great patios and accommodate deliveries and loading.

It also aligns with the following principles:

- *Enhance the Visitor Experience*: design public spaces to reinforce the Market's image, reinforce the heritage Market building as an anchor to the district; and
- *Welcome Everyone*: create space for everyone.

3.5.2 Functional Program for 70 Clarence

The proposed redevelopment of 70 Clarence envisions a new multi-use building featuring a Community Art Hub, an art gallery, and a residential component. The project aims to integrate seamlessly within the broader Arts, Culture, and Entertainment (ACE) District, complementing nearby institutions and other performance and gallery venues. Key priorities of this space include ensuring each program element maintains a distinct identity through branding and public-facing spaces and creating meaningful opportunities for storytelling in both indoor and outdoor areas.

At the direction of the City, the Consultant Team created a functional program plan for a new public destination building to house the following programs:

- Subterranean Public Parking;
- A community focused learning space for the visual arts (Community Art Hub); and
- A space for significant public institution gallery.

A subsequent City direction added in an optional program element to provide for limited:

- Artist's residence spaces.

A building section of the concept design is provided below in **Figure 9**.

Ground Level

On the ground floor, the Community Art Hub occupies approximately 510 m², with the remainder of the hub located on the third floor.

Aligned with the arts and culture focused program, the second major occupant of the proposed building at 70 Clarence is a gallery space that occupies up to 3,196 m² across two floors. The eastern half of the ground floor, facing York Street, William Street, and Clarence Street, is designated for public facing exhibition and storytelling areas. A dedicated loading and receiving zone is provided off Clarence Street, allowing the gallery to operate independently from other building users through a separate back of house area. On the ground floor, the gallery occupies 1,025 m².

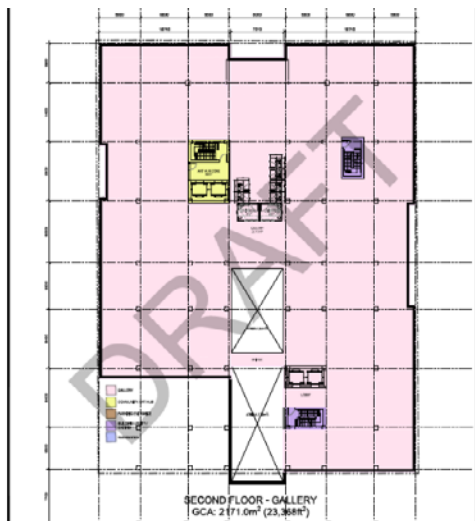
In addition, a modest amount of lobby and amenity space is included on the ground floor. The gallery also benefits from adjacency to the central atrium, which serves as both the main public entrance and a flexible space for special events and programming.

FIGURE 11: 70 CLARENCE GROUND FLOOR



Second Level

FIGURE 12: 70 CLARENCE 2ND FLOOR



The second floor of 70 Clarence is entirely dedicated to the gallery, providing additional exhibition space along with areas for back-of-house and administrative functions. The gallery is planned to occupy up to 3,196 m² over two floors, with 2,171 m² located on the second floor.

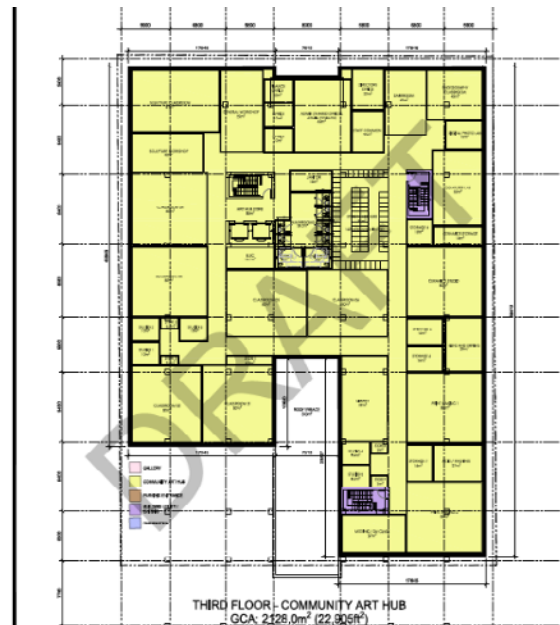
As the program is still subject to consultation with potential occupants, the floor area has not yet been subdivided. The gallery also benefits from its connection to the central atrium, which serves as the public entrance and can support special events and flexible programming.

Third Level

The Community Art Hub, shown in yellow, encompasses 2,290 m² of instructional, administrative, exhibition, and utility spaces, reflecting the program requirements of the existing Ottawa School of Art. The space is spread over two levels, with ‘front of house’ areas and a reception located on the ground floor.

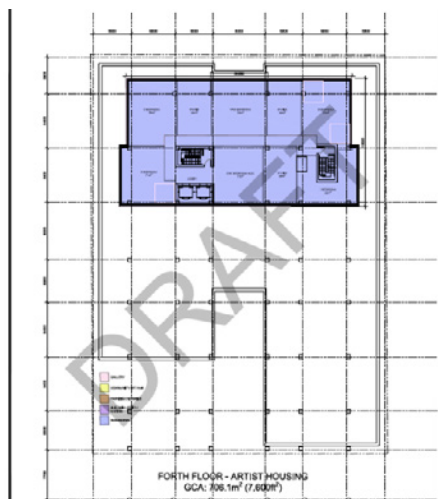
The third floor contains a variety of classrooms, administrative offices, and back-of-house functions. Specialized classrooms include adjacent workshop areas for chemical handling, printmaking, plaster work, photography, and similar activities. On the south side of the third floor, the Art Hub has access to an outdoor terrace, which can be used as a teaching space or for events and exhibitions. The total program area on the third floor is 1,726 m².

FIGURE 13: 70 CLARENCE 3RD FLOOR



Fourth and Fifth Level

FIGURE 14: 70 CLARENCE 4TH & 5TH FLOOR



The fourth and fifth floors are proposed as residential levels, containing a total of 18 units ranging from studios to two-bedroom apartments. Together, these two floors have a gross floor area of 1,412 m². This residential space could serve as Artists-in-Residence housing, functioning as a sub-program of the Community Art Hub, or alternatively be leased at market rates. These floors share some vertical circulation and back-of-house spaces with the Art Hub. However, the design includes a dedicated entrance from ByWard Market Square, providing independent access to the residential units separate from the Community Art Hub’s main entrance and reception area.

A summary of the functional program area is provided below in **Table 11**.

TABLE 11: FUNCTIONAL PROGRAM SUMMARY FOR 70 CLARENCE

Space	Area (ft ²)
Public/Circulation	3,109
Atrium	2,702
Gallery	34,401
Community Art Hub	24,649
Residential	15,597
Gross up (Unaccounted for)	8,069
Building Total	88,526
Parking Level 1	35,790
Parking Level 2	35,790

The proposed functional program aligns directly with the *Enhance the Visitor Experience* Principle of the BMRP, which recommends the following: increase programming, events, arts and culture year-round, have clean and well-maintained spaces, design public spaces to reinforce the Market’s image, and provide infrastructure for events. The program also aligns with the *Welcome Everyone* and *Support Businesses* principles.

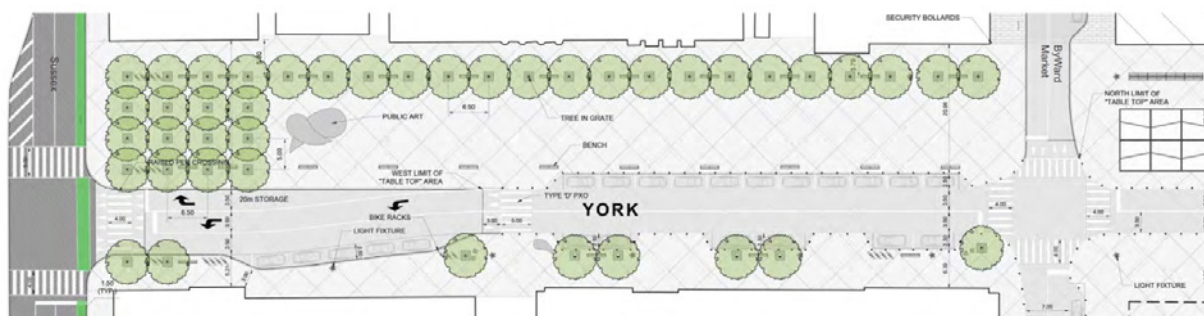
It also aligns with the following principles:

- *Welcome Everyone*: provide activities for all ages, create space for everyone, attract all cultures, ethnicities and genders; and
- *Balance the needs of residents, tourists and businesses*: ensure amenities and functional design considers the needs of all users.

3.5.3 Functional Plan for York Street Plaza

For this report, the functional program for York Street Plaza remains unchanged from the BMRP. **Figure 15** illustrates a potential configuration for various uses and shows the area’s capacity. Most events can be held within the pedestrian promenade area without requiring a full street closure.

FIGURE 15: YORK STREET PLAZA FUNCTIONAL PLAN



The York Street Plaza is designed with the following functions in mind:

- **Everyday Use (summer):** Benches line the pedestrian promenade. Outdoor vending tents are located in the Market Plaza and on ByWard Market Square.
- **Outdoor dining:** Outdoor vending tents are located in the Market Plaza and on ByWard Market Square.
- **Buskers and Performances:** Six busker stations, temporary grandstand seating with large performance area.
- **Stage Events:** Audience seating in front of a stage or media screen.
- **Street Festivals:** York Street is closed to traffic to accommodate food trucks, vendors, performance areas, dining tents, etc.

The proposed functional program aligns directly with the *Pedestrians First* Principle of the BMRP, which recommends the following: increase pedestrian space, provide amenities for pedestrians, create a safe, accessible and connected environment, incrementally reduce vehicle traffic and parking, provide for all types of travel. The program also aligns with the *Beautify the Market* and *Welcome Everyone* principles.

It also aligns with the following principles:

- *Beautify the Market:* plant more trees, improve pedestrian lighting, enhance seasonal and event lighting.
- *Welcome Everyone:* design for accessibility, provide activities for all ages, create space for everyone.

3.6 Construction Phasing and Implementation

This section provides a summary of the construction phasing and implementation plan completed in July 2025. For additional details, see the *ByWard Market Feasibility – Construction Phasing and Implementation Memorandum*.

FIGURE 16: PROPOSED PHASING PLAN



Based on latest information from the City, the proposed phasing shown in **Figure 16** outlines the approximate start dates and sequence of construction. This approach aims to reduce costs, minimize business disruption and accommodate the 200-year ByWard Market celebration scheduled throughout 2027.

The demolition and construction of the building at 70 Clarence will require more time and space compared to the surrounding road renewal work shown in the figure above. Therefore, it is recommended that the integrated road renewal of ByWard Market Square North and William Street North be delayed until after demolition and construction have reached the ground floor or the new building is substantially complete. This sequencing will allow restaurants on ByWard Market Square North and William Street North to continue operating during construction across the street. Since the road renewal will have a greater impact on restaurant accessibility than the building construction at 70 Clarence Street, it is advisable to complete the road work only after the building’s ground level is reached. Additionally, demolition and construction activities will require access to and will cause disturbances on adjacent roads.

It is suggested that installation of new lateral services, including sanitary, storm, and water connections, be undertaken during excavation, connecting to existing services on York

Street and William Street North. The timing of work on William Street North and ByWard Market Square North will depend on the locations of cranes, temporary site trailers, staging areas, and equipment deliveries. Temporary use of portions of these roads during the construction of the building at 70 Clarence Street will likely delay asphalt, sidewalk, and landscaping work until the building is well advanced. Therefore, it is recommended to begin and complete the approximately 80-meter road segment on both sides of the building only once the entire right-of-way is clear of construction activities and excavation and reconstruction can proceed without risk of damaging newly completed roadwork.

As noted earlier the reconstruction of York Street will require significant coordination, particularly concerning the underground parking lot, which will extend beneath the York Street Plaza. Ideally, the underground parking and building lateral services should be completed simultaneously with the 2028 area- of York Street, as identified in **Figure 16**. If the York Street integrated renewal project from Sussex to Dalhousie is completed before the demolition and construction of 70 Clarence, sanitary, storm and water services will need to be installed and extended to the property line. The full completion of York Street Plaza will necessitate the demolition and construction of the new underground parking lot, as it encroaches on York Street.

Section 4: Partnership Opportunities

4.1 Market Sounding Summary and Results

4.1.1 Key Identified Partnerships and Emerging Opportunities

To assess revenue and development potential for the Project, the Consultant Team explored potential partnership opportunities for infrastructure delivery and operations through a quiet Market Sounding led by ND Management. The quiet market sounding consisted of various in-person, online and phone conversations with potential stakeholders of the assets. The section summarizes the key findings from the engagements which consisted of internal and financial partners.

As the project progresses, the City will run a competitive and transparent procurement process to solidify partnerships exhibiting "made in Ottawa" authenticity, which will include leading Indigenous consultation. The Consultant Team engaged with approximately (24) twenty-four different stakeholders' groups, including internal City employees and external stakeholders such as future tenants, developers, and partners. The purpose of these meetings were to gauge interest, gather insights, and evaluate potential partnerships and concerns relevant to the redevelopment vision for the Market with a particular focus on 55 ByWard and 70 Clarence Street.

Key Insights

Key insights gathered from the engagements are as follows:

- **Parking:** Very strong support from local property owners and retailers for parking numbers to remain or for additional parking.
- **Cultural Institutions:** Multiple cultural institutions support inclusion in the redevelopment.
- **Developer Feedback:** Private sector participants remain cautious but are monitoring. Height and density flexibility is flagged as a key consideration.
- **City Alignment:** Key city staff and the Mayor's Office are aware and supportive of the Project, but funding remains a challenge.

4.1.2 SWOT Analysis

The following section summarizes the strengths, weaknesses, opportunities, and threats of the identified partnerships for the City to consider:

Strengths

Based on the engagements conducted and the key partnerships identified, the following **strengths** have been developed in relation to the project:

TABLE 12: PARTNERSHIP STRENGTHS

Theme	Description
Local Commitment	Strong interest from key Ottawa-based institutions and businesses; aligns with the “locals first” theme discussed in the Design Charette workshop
Cultural Alignment	Clear enthusiasm from cultural organizations; supports the BMPRP’s goal to enhance arts and cultural presence in the Market
Parking Infrastructure Collaboration	Developers are willing to support district-wide parking solutions, which addresses a controversial element while enabling broader planning flexibility
Mixed Use Integration	Interest in combining public, cultural, and commercial uses
Institutional Anchor Potential	Inclusion of cultural institutions introduces stable, long-term anchor tenants that can drive consistent foot traffic
Flexibility on Building Form	Planning input confirms City may be flexible with increased height and density at 70 Clarence, enabling broader development opportunities
Public-Private Engagement	Some stakeholders are open to supporting strategic city-building goals
Shared Vision for Heritage Preservation	Support for maintaining the Market’s identity as a fresh food hub ties directly to BMPRP focus on preserving Market character
Civic Engagement	City staff, including Finance, Planning, and Facilities, are engaged and understand how the project fits into broader civic priorities
Cultural Destination Potential	If cultural institutions, 70 Clarence could become a significant cultural anchor, boosting tourism and community use
Revenue Possibilities	Due to height restrictions, subterranean parking maximizes revenue opportunities on parcel at 70 Clarence

Weaknesses

Based on the engagements conducted, and the key partnerships identified, the following **weaknesses** have been developed in relation to the project:

TABLE 13: PARTNERSHIP WEAKNESSES

Theme	Description
No Formal Lease Agreements	No letters of intent or leases have been signed, making the current partnership status speculative

High Dependence on City Support	Many partners will look to the City for subsidies, fit-up costs, or capital support, potentially overloading municipal resources. While the space may demand market rates, the tenants may not be able to afford them
Public Realm Trade-Offs	Stakeholders’ push for parking may reduce the amount of usable public realm or green plaza space, contrary to the Plan’s aspirations
Limited Private Sector Commitment	While developers are engaged, most are hesitant to invest directly, possibly due to uncertain ROI, policy shifts, or lack of height/density
Lack of Clarity on City Funding	Without securing capital budgets, private partners may hesitate to formalize their roles. City may be forced to fund majority of the project using municipal bonds and public funds
Varied Visions	There is no shared development or programming vision yet among partners—some push for arts, others for food retail, others for parking
Needs Assessment	Needs Assessment for affordable artist housing has not been completed; demand and feasibility for such a space should be confirmed before investment takes place

Opportunities

Based on the engagements conducted, and the key partnerships identified, the following **opportunities** have been developed in relation to the project:

TABLE 14: PARTNERSHIP OPPORTUNITIES

Theme	Description
Integrated Cultural Hub	The 70 Clarence site could become a flagship arts and cultural facility
District Parking Strategy	Alternative public parking projects could serve as part of a Market-wide parking solution, freeing 70 Clarence for pedestrian and cultural use
Strengthened Funding Case	Alignment with local institutions, cultural objectives, and the BMPRP strengthens applications for federal/provincial funding or philanthropy
Strategic MOU Development	Alignment with local institutions, cultural objectives, and the BMPRP strengthens applications for federal/provincial funding or philanthropy
Place Branding	The redevelopment could enhance Ottawa’s cultural profile, helping brand the ByWard Market as a modern, mixed-use destination that still reflects its heritage
Intergovernmental Collaboration	Projects provide a clear avenue to engage the Federal Government and access cultural infrastructure funding
Private Sector Re-engagement	As certainty around project design and funding grows, private developers may increase participation

Realignment of Resources	The City currently funds cultural institutions through rent payments to NCC. Funds could instead be applied to future debt repayment if maintain ownership of 70 Clarence
Indigenous and Host Nation Partnerships	Partnering with Host First Nation – federally recognized Anishinaabe Algonquin First Nations status communities – could strengthen co-development of applications for funding from different levels of government. In addition, engagement could strengthen design of the market to include a unique, authentic and vibrant identity that is based on local Indigenous history, culture and knowledge, as well as the potential for new economic, social or cultural visibility for the Host Nation.

Threats

Based on the engagements conducted, and the key partnerships identified, the following **threats** have been developed in relation to the project:

TABLE 15: PARTNERSHIP THREATS

Theme	Description
Parking Controversy	Strong opposition to reduced parking could lead to political backlash or delays even if supported by policy
Funding Gap	Lack of confirmed municipal or external funding could stall project progress and erode partner interest
Tenant Drop-off	Without firm lease commitments, potential tenants could withdraw or pivot to other opportunities, leaving key program elements in jeopardy
Public Realm Dilution	Concessions made to retain parking or satisfy all stakeholders’ needs could compromise the quality and vision of the public space
Timeline Delays	Differing readiness levels among partners (e.g., 2030+ interest) could push project phases beyond practical windows
Community/Stakeholder Opposition	If public engagement is not carefully managed, differing stakeholder visions could trigger community pushback, especially on height or cultural direction
Inter-agency Misalignment	Differing priorities across city departments or between city and federal institutions may slow coordination and approvals
Affordability	Investment in new assets may require lease rates at or above market levels, potentially limiting the ability of local or target businesses to serve as anchor tenants.

4.2 Market Analysis

4.2.1 Valuation of 70 Clarence

As a recap, the options analysis conducted in 2023 estimated the value of 70 Clarence Street at \$12.6 million without height restrictions. If the City intends to maintain the existing height limit on the site, the estimated purchase price would need to be reduced to a range estimated at \$4.4 million to \$7.5 million, depending on the proposed uses. While the City intends (and would prefer) to own the asset and develop a community art hub, this payout could be a consideration based on the outcome of the financial analysis.

4.2.2 Market Retail and Commercial Rates

In addition to the stakeholder engagements described above, the Consultant Team engaged with the Colliers brokerage team in Ottawa to assess market rental rates in the area. These rates will be compared to those currently charged at 55 ByWard and 70 Clarence. Several comparable market rental rates were identified in the vicinity, providing a solid basis for analysis.

Table 16 below lists comparable listings for the **commercial retail space**. On average, a comparable listing would charge a net-lease rate of \$31.89 per ft².

TABLE 16: ACTIVE RETAIL LISTINGS IN BYWARD MARKET AREA

Site	Area (ft ²)	Net Rent (per ft ²)
400 Cumberland St 100, Lower Town, Ottawa	174,274	\$14.00
90 George St, Lower Town, Ottawa	6,300	\$22.00
22 York St, Lower Town, Ottawa:	2,124	\$28.00
207 Guigues Ave, Lower Town, Ottawa	2,135	\$25.00
135 Rideau St, Lower Town, Ottawa	11,858	\$30.00
238 Besserer St D, Lower Town, Ottawa	972	\$35.00
200 Rideau St 200B, Lower Town, Ottawa:	3,559	\$40.00
700 Sussex Dr 1, Lower Town, Ottawa	1,881	\$45.00
137 Rideau St 137, Lower Town, Ottawa	3,681	\$48.00
Average Net Rent per Ft²		\$31.89

Table 17 below lists comparable listings for the **commercial office space**. On average, a comparable listing would charge a net-lease rate of \$17.65 per ft².

TABLE 17: ACTIVE OFFICE LISTINGS IN BYWARD MARKET AREA

Site	Area (ft ²)	Net Rent (per ft ²)
55 Murray Street, Ottawa	2,552	\$16.00
135 Rideau, Ottawa	9,083	\$17.50

55 Murray Street, Ottawa	1,604	\$20.83
10 Rideau Street, Ottawa	6,579	\$17.55
47 Clarence Street, Ottawa	2,679	\$11.33
55 Murray Street, Ottawa	4,223	\$21.50
100 Murray Street, Ottawa	9,690	\$22.00
47 Clarence Street, Ottawa	4,216	\$14.50
Average Net Rent per Ft²		\$17.65

Table 18 below lists comparable listings for the **residential apartment space**. On average, a comparable listing would charge a net-lease rate of \$36.42 per ft².

TABLE 18: ACTIVE RESIDENTIAL LISTINGS IN BYWARD MARKET AREA

Site	Area (ft ²)	Net Rent (per ft ²)
180 George Street, Ottawa	549	\$40.40
242 Rideau Street, Ottawa	549	\$44.77
238 Besserer Street, Ottawa	649	\$35.10
179 George Street, Ottawa	649	\$38.80
179 George Street, Ottawa	849	\$31.08
200 Rideau Street, Ottawa	949	\$32.86
200 Rideau Street, Ottawa	649	\$32.33
180 George Street, Ottawa	549	\$40.40
3-12 Clarence Street, Ottawa	1,099	\$27.29
700 Sussex Drive, Ottawa	1,500	\$34.00
199 Rideau Street, Ottawa	500	\$39.24
199 Rideau Street, Ottawa	650	\$36.09
242 Rideau Street, Ottawa	650	\$36.00
234 Rideau Street, Ottawa	650	\$41.54
Average Net Rent per Ft²		\$36.42

4.2.3 Current Lease Rates Being Charged

55 ByWard

Table 19 shows the current net lease rates charged to tenants at 55 ByWard. On average, the rent of \$29.56 per ft² is slightly below the market average of \$31.89 per ft². A closer look at the anchor tenants reveals that Café 55 (ByWard Café) and Rocky Mountain are paying high rental rates of \$65 per ft². However, the northern anchor, Le Moulin Provence, pays \$30.96 per ft² for the café space and does not pay net rent for the kitchen due to a long-standing agreement. As a result, their average rent equates to \$20.69 per ft² for a total of 6,763 square feet. On average, O&M costs equate to \$36.59 per ft² but when considering all tenants including gross leases, O&M costs equate to approximately \$31.00 per ft².

TABLE 19: CURRENT NET LEASING RATES AT 55 BYWARD

Business	Area (ft ²)	Net Rent (per ft ²)	Annual O&M Costs
A7G (Adaawewigamig)	538	\$15.48	\$34.32
A7G (Adaawewigamig)	525	\$15.48	\$34.32
Cafe 55 (Anchor)	994	\$65.04	\$37.92
Canada in a Basket	405	\$39.96	\$33.72
Cassablanca	530	\$49.80	\$40.56
Corazan de Maiz	530	\$52.32	\$43.32
Corazan de Maiz	1,043	\$20.04	\$35.52
Elections	530	\$43.56	\$33.96
Le Moulin Provence (Anchor)	4,514	\$30.96	\$35.52
Le Moulin Kitchen (Anchor)	2,249	\$0.00	\$33.72
Pure Power Juice	530	\$39.96	\$36.00
Quichua Crafts	512	\$19.20	\$34.68
Rockey Mountain (Anchor)	912	\$65.04	\$36.36
Shafalia	530	\$31.44	\$40.32
Sushi Zone	530	\$42.12	\$36.36
Tickled Pink	524	\$25.56	\$34.92
Wangs Noodles	530	\$49.80	\$40.56
Average Net Rent per Ft²		\$29.56	\$36.59

The business case assumes that, in the future, all tenants will pay market rates for their leased space and appropriate fit-up costs. While this may raise concerns for some key tenants, overall, the current rental figures indicate that 55 ByWard can achieve market or above-market rents even without extensive renovations.

70 Clarence

Table 20 shows the current net lease rates charged to tenants at 70 Clarence. On average, the leasing rates are \$31.78 per ft² which aligns with the market rate. Estimated O&M costs for these spaces are significantly lower, likely due to the nature of the operations and fewer common areas and shared utilities. These O&M costs are estimates included in the leases and reconciled annually by BMDA; however, actual O&M costs may be higher.

TABLE 20: CURRENT NET LEASING RATES AT 70 CLARENCE

Business	Area (ft ²)	Net Rent (per ft ²)	Annual O&M Costs
Casa di Moni	2,525	\$45.00	\$6.84
Tea Store	1,173	\$32.04	\$6.84
Speak Easy (Tingz)	804	\$30.96	\$6.84
Continental Deli	1,240	\$33.84	\$6.84
ByWard Nut House	1,236	\$30.00	\$7.68

Wedel Touch of Europe	1,560	\$32.04	\$6.84
Change Mkr Hub	970	\$18.60	\$6.84
Average Net Rent per Ft²		\$31.78	\$6.96

This business case assumes that in the future, all tenants will pay market rates for their leased space and fit-up costs. This may raise concerns for some key tenants, particularly anchor tenants at 55 ByWard. As the Project advances and partnerships become clearer, the City may consider discounting leases for tenants who bring important social or cultural value to the ByWard market.

Overall, current rental figures indicate that both 55 ByWard and 70 Clarence can achieve **market or above-market rents** even without extensive renovations. Significant renovations would likely help these assets maintain or increase their ability to command market rates.

However, it is important to note that the larger and more unique the spaces are designed, the less leverage the City will have in negotiating lease rates, as demand for such spaces tends to be lower. To maintain flexibility and tenant interest, keeping spaces open and capable of being partitioned into smaller units will be critical until long-term leases can be negotiated with partners.

Section 5: Financial Analysis

This section provides a comprehensive assessment of the financial feasibility of the proposed assets. It outlines capital costs, forecasts operating revenues and expenses, and evaluates debt requirements and projected net income. The analysis is based on clearly defined financial assumptions, including project timing, inflation rates, operating cost structures and revenue drivers.

At the City's request, the assets have been further separated for financial analysis, specifically isolating the parking component from 70 Clarence. Since the assets do not necessarily need to be bundled together, analyzing them individually will help identify specific features or deficiencies that require attention before advancing design work.

5.1 Key Assumptions to Financial Analysis

5.1.1 Area Assumptions

Table 21 , **Table 22**, and **Table 23** define the area assumptions related to the functional programs considered in the financial analysis.

TABLE 21: AREA ASSUMPTIONS FOR 55 BYWARD

Space	Area (ft ²)
Public/Circulation	9,692
Commercial Space (Vendors, Food, Kiosks)	13,375
Office / Restaurant Space	4,497
Public Washrooms	673
Building Mech / Utility	2,971
Gross up Space (Unaccounted for)	5,061
Building Total	36,269

TABLE 22: AREA ASSUMPTIONS FOR 70 CLARENCE

Space	Area (ft ²)
Public/Circulation	3,109
Atrium	2,702
Gallery	34,401
Community Art Hub	24,649
Residential	15,597
Gross up (Unaccounted for)	8,069
Building Total	88,526

TABLE 23: AREA ASSUMPTIONS FOR 70 CLARENCE PARKING

Space	Area (ft ²)
Parking Level 1	35,790
Parking Level 2	35,790

As noted, a new functional program with updated area assumptions was not developed for the York Street Plaza. For this asset, the design established in the BMPRP from Sussex Drive to William Street is assumed to remain unchanged. However, cost estimates have been updated to reflect 2025 construction values.

5.1.2 Project Timelines

The total construction timeline spans across five years from 2025 to 2029 as shown in **Table 25** as per the ByWard Market Feasibility – Construction Phasing and Implementation Memorandum. Pre-construction activities are assumed to begin in 2025, with demolition of 70 Clarence street and construction activities beginning in 2028 once the 200th anniversary market celebration is complete. The financial analysis uses a 40-year operational horizon to assess sustainability which matches the expected funding mechanism for these assets.

TABLE 24: TIMING ASSUMPTIONS FOR PROJECT

Construction Period	55 ByWard	70 Clarence	70 Clarence – Parking	York Street Plaza
Design & Planning	2025 to 2027	2025 to 2027	2025 to 2027	2025 to 2027
Demolition Period	N/A	2028	2028	N/A
Construction Period	2028 to 2029	2028 to 2029	2028 to 2029	2028 to 2029
Full Completion	2029	2029	2029	2029
Operations Period				
Start Date	1-Jan-30	1-Jan-30	1-Jan-30	1-Jan-30
Period	40 Years	40 Years	40 Years	40 Years
End Date	31-Dec-69	31-Dec-69	31-Dec-69	31-Dec-69

5.1.3 Capital Expenditure Assumptions

The Project’s capital budget includes all direct and indirect expenses required to deliver the assets through construction and commissioning. This encompasses hard construction costs, soft costs such as consultant fees, and contingencies.

The cost estimates were developed by Hobin Architects and Parsons using Altus Cost Guides and validated by Colliers Project Leaders. The estimates were then inputted into the **Project Budget Estimate Template** provided by City of Ottawa Infrastructure Services. This template uses the Delivery Review cost estimating guidelines approved by City Council. In summary, the capital cost estimates assume the following:

Construction Costs

- Average of the Low-High scenarios provided by Altus cost guides is used;
- Non-refundable HST of 1.76%;
- Construction contingency of 40%;
- Escalation cost of 3% of construction subtotal per construction year;
- Demolition cost of \$7.2 million for the 70 Clarence parking garage provided by the City of Ottawa Infrastructure Services;
- York Street Plaza costs inflated from the BMPPR by 34.9% to reflect 2025 construction values; and
- Spaces are constructed to shelled space – fit-up costs are assumed to be the responsibility of the tenant.

Prime Consultant Costs

- Prime consultant cost of 20% of construction total split between Prime Consultant Design Costs and Prime Consultant Contract Admin costs; and
- Design contingency of 40% of the prime consultant cost.

Development Costs

- Feasibility, analysis and associated fees of 5% of construction cost;
- Art in public spaces of 1% of construction cost;
- Building permits and development charges – assumed to be minimum cost of \$12.75 per every \$1,000 of Construction Costs per City;
- Utilities cost range from 5% to 20% of construction cost as determined by City;
- Development contingency of 40% of development subtotal.

Project delivery

- Project delivery cost of 5% of construction, prime consultant, and development costs per the City.

Additional Assumptions

- For simplicity, no payments are assumed during construction. Interest accrues annually at 4.25% on the prior year’s balance and is capitalized into the annuity payment during the operating period;
- Cost to buyout the leases for 70 Clarence per BMDA’s 2024 Financial Statements; and
- Discount rate of 6% is used for Net Present Value (NPV) calculations.
- Adjusted BCA rates for 55 ByWard development we’re provided by the City.

5.1.4 Revenue Assumptions

This section outlines the revenue assumptions used for each asset. While multiple City departments currently collect revenue independently, the revenue for this business case has been calculated on a **consolidated basis**. It will be at the City’s discretion to determine how revenue is allocated across departments in the future, including any revenue associated with the BMDA.

55 ByWard

TABLE 25: REVENUE ASSUMPTIONS FOR 55 BYWARD

Revenue Items	Assumptions
Leasing Revenues	<p>Leasing revenue is the key driver of long-term financial sustainability for the 55 ByWard. The leasing area is per the functional program. The following assumptions have been made:</p> <ul style="list-style-type: none"> • Anchor Tenant #1: Leasing 4,358 ft² at a net lease rate of \$31.90 per ft². Recoverable O&M costs are estimated at \$31 per ft². • Anchor Tenant #2: Leasing 4,806 ft² at a net lease rate of \$31.90 per ft². Recoverable O&M costs are estimated at \$31 per ft². • Kiosk Vendors: 2 permanent kiosk vendors Leasing 389 ft² (each) at a net lease rate of \$31.90 per ft². Recoverable O&M costs are estimated at \$31 per ft². • Office/Event/Restaurant and North Terrace: Tenant leasing 2,249 ft² (indoor) and 734 ft² (terrace) at a net lease rate of \$31.90 per ft². Recoverable O&M costs are estimated at \$31 per ft². • Office/Event/Restaurant and North Terrace: Tenant leasing 2,249 ft² (indoor) and 734 ft² (terrace) at a net lease rate of \$31.90 per ft². Recoverable O&M costs are estimated at \$31 per ft².
Event Space Revenues (Public Hall)	<p>Revenues have been estimated for temporary kiosks (markets) and leasing out the public hall as event space:</p> <ul style="list-style-type: none"> • Markets: Assumes 52 market days, with 20 vendors each day leasing temporary spaces at \$100 per day • Events: Assumes 12 events per year leasing out the Market Hall for \$5,000 per event

<p>Sponsorship Fees</p>	<p>Following the model used by the YMCA, revenues have been estimated for quarterly sponsorships for the facility and events. The sponsors could be listed in a visible area (plaque wall) in the facility, and will be the named sponsors for events held in the facility:</p> <ul style="list-style-type: none"> • Patron Sponsor: 1 sponsor at \$9,500 per quarter • Platinum Sponsor: 2 sponsors at \$6,500 per quarter • Gold Sponsor: 2 sponsors at \$4,000 per quarter • Silver Sponsor: 5 sponsors at \$2,500 per quarter • Bronze Sponsor: 5 sponsors at \$1,500 per quarter
<p>Advertising</p>	<p>Other revenue streams include traditional advertising, keeping in mind heritage considerations within the facility:</p> <ul style="list-style-type: none"> • Static Bulletin: 5 Ads at \$3,500 per month • Junior Posters: 10 Ads at \$800 per month • Street Furniture (benches): 10 Ads at \$500 per month
<p>Parking (Outdoor)</p>	<p>Parking revenues have been calculated using the following assumptions:</p> <ul style="list-style-type: none"> • 15 future planned outdoor spots at \$2,060 per spot per 2024 Parking Services Annual Report

70 Clarence

TABLE 26: REVENUE ASSUMPTIONS FOR 70 CLARENCE

Revenue Items	Assumptions
<p>Leasing Revenues</p>	<p>Leasing revenue is the key driver of long-term financial sustainability for the 70 Clarence. The leasing area is per the functional program. The following assumptions have been made:</p> <ul style="list-style-type: none"> • Floor 1: Art Gallery Leasing 25,526 ft² at a net lease rate of \$31.90 per ft². Recoverable O&M costs are estimated at \$31 per ft². • Floor 1 Retail: Leasing 546 ft² at a net lease rate of \$31.90 per ft². Recoverable O&M costs are estimated at \$31 per ft². • Floor 2: Art gallery leasing 11,334 ft² at a net lease rate of \$31.90 per ft². Recoverable O&M costs are estimated at \$31 per ft². • Floor 4: Tenants leasing 9 units 7,600 ft² at \$36.00 per ft² (Approximately \$2,550 per month). Recoverable O&M costs are estimated at \$5 per ft² (roughly \$350 per month per unit). • Floor 5: Tenants leasing 9 units 7,600 ft² at \$36.00 per ft² (Approximately \$2,550 per month). Recoverable O&M costs are estimated at \$5 per ft² (roughly \$350 per month per unit).
<p>Event Space Revenues (Atrium)</p>	<p>Revenues have been estimated for leasing out the atrium as event space:</p> <ul style="list-style-type: none"> • Assumes 12 events per year leasing out the Atrium for \$5,000 per event
<p>Sponsorship Fees</p>	<p>Following the model used by the YMCA, revenues have been estimated for quarterly sponsorships for the facility and events. The sponsors could be</p>

	<p>listed in a visible area (plaque wall) in the facility, and will be the named sponsors for events held in the facility:</p> <ul style="list-style-type: none"> • Patron Sponsor: 1 sponsor at \$9,500 per quarter • Platinum Sponsor: 2 sponsors at \$6,500 per quarter • Gold Sponsor: 2 sponsors at \$4,000 per quarter • Silver Sponsor: 5 sponsors at \$2,500 per quarter • Bronze Sponsor: 5 sponsors at \$1,500 per quarter
Advertising	<p>Other revenue streams include traditional advertising, keeping in mind heritage considerations within the facility:</p> <ul style="list-style-type: none"> • Static Bulletin: 5 ads at \$3,500 per month • Junior Posters: 10 ads at \$800 per month
Parking (Subterranean)	<p>Parking revenues have been calculated using the following assumptions:</p> <ul style="list-style-type: none"> • 180 spots at an estimated \$5,000 per spot per City of Ottawa Parking

York Street Plaza

TABLE 27: REVENUE ASSUMPTIONS FOR YORK STREET PLAZA

Revenue Items	Assumptions
Event Space Revenues	<p>Revenues have been estimated for leasing out the York Street Plaza as event space:</p> <ul style="list-style-type: none"> • Events: Calculated by using 2024 figures from BMDA financial statements and escalated accordingly
Parking (Outdoor)	<p>Parking revenues have been calculated using the following assumptions:</p> <ul style="list-style-type: none"> • 31 future planned outdoor spots at \$2,060 per spot per 2024 Parking Services Annual Report

5.1.5 Operating Costs Assumptions

Operating expenses include costs related to delivering facility services such as supplies, repairs, maintenance, and other common expenses including utilities and administration. They also include costs associated with running events and advertising promotions. These expenses are projected to increase over time based on inflation assumptions. The \$800 thousand annual funding contribution to BMDA has not been included in this analysis. It will be at the City’s discretion to determine how this cost is allocated across departments in the future.

55 ByWard

TABLE 28: OPERATING COST ASSUMPTIONS FOR 55 BYWARD

Expense Items	Assumptions
O&M Expenses	Leasing revenue is the key driver of long-term financial sustainability for the 55 ByWard. The leasing area is per the functional program. The following assumptions have been made: <ul style="list-style-type: none"> • Tenants: Recoverable O&M costs are estimated at \$31 per ft². • Public Hall: City will cover the costs to operate the Public Hall (5,195 ft²) + Mezzanine (3,370 ft²) space at \$31 per ft²
Advertising Expenses	Advertising expenses have been estimated at 30% of advertising revenue
Event Expenses	Event expenses have been estimated at 50% of event revenue
Life Cycle Costs	Life cycle renewal costs of 1.7% of capital replacement per the City's Asset Management's target reinvestment rate beginning at Year 10 of the operating period.
Parking (Outdoor)	Parking expenses have been estimated using the following assumptions: <ul style="list-style-type: none"> • 15 future planned outdoor spots at \$2,188 per spot per 2024 Parking Services Annual Report

70 Clarence

TABLE 29: OPERATING COST ASSUMPTIONS FOR 70 CLARENCE

Expense Items	Assumptions
O&M Expenses	Leasing revenue is the key driver of long-term financial sustainability for the 70 Clarence. The leasing area is per the functional program. The following assumptions have been made: <ul style="list-style-type: none"> • Tenants (Commercial): Recoverable O&M costs are estimated at \$31 per ft². • Tenants (Residential): Recoverable O&M costs are estimated at \$5 per ft². Property Management fees estimated at 10% of revenues (non-recoverable). Realty fees (in selling scenarios) are estimated at 4% of the selling price. • Atrium: City will cover the costs to operate the Atrium and Public Space (5,810 ft²) space at \$31 per ft²
Advertising Expenses	Advertising expenses have been estimated at 30% of advertising revenue
Event Expenses	Event expenses have been estimated at 50% of event revenue
Life Cycle Costs	Life cycle renewal costs of 1.7% of capital replacement per the City's Asset Management's target reinvestment rate beginning at Year 10 of the operating period.
Parking (Subterranean)	Parking expenses have been estimated using the following assumptions: <ul style="list-style-type: none"> • 180 spots at an estimated \$2,000 per spot per City of Ottawa Parking

York Street Plaza

TABLE 30: OPERATING COST ASSUMPTIONS

Expense Items	Assumptions
Event Expenses	Event expenses have been estimated at 50% of event revenue
Life Cycle Costs	Life cycle renewal costs of 0.6% of capital replacement per the City's Asset Management's target reinvestment rate for Water and Sewers beginning at Year 10 of the operating period.
Parking (Outdoor)	Parking expenses have been estimated using the following assumptions: <ul style="list-style-type: none"> 31 future planned outdoor spots at \$2,188 per spot per 2024 Parking Services Annual Report

5.1.6 Financing Assumptions

Financing-related assumptions include grant funding to be used during construction, equity, and debt assumptions such as the interest rate applicable during operations and tenor. These are incorporated to ensure accurate projections of cash flow requirements.

TABLE 31: FINANCING ASSUMPTIONS

Financing Items	Assumptions
Funding	<p>The following funding has been identified by the City:</p> <ul style="list-style-type: none"> Current Funding: A contribution of \$1.6 million allocated to progressing the design for 55 ByWard Parking Reserve Funds: The Parking Reserve fund has been identified as an option for the underground parking structure at 70 Clarence. As of 2025, the balance of the reserve fund sits with a balance of approximately \$22.08 million. Significant Capital expenditures are expected from 2025-2030. It is assumed \$7.2 million will be used by the Parking Reserve Fund in 2028 for the facility demolition. Using this funding for the project means that future parking revenues and expenses will be the responsibility of Ottawa Parking Services. This funding is not guaranteed. <p>These grants will be utilized to partially fund the construction costs associated with the project. Additional funding will be required as design progresses and the project becomes closer to "shovel ready".</p>
Equity	The assumption is that no additional equity injections are being contributed to 55 ByWard, 70 Clarence or York Street Plaza by the City.
Financing	<p>Any construction costs not fully covered by the available funding contributions will be financed through the issuance of municipal debt bonds. The following assumptions have been used in the analysis:</p> <ul style="list-style-type: none"> Issuance Term: 40 years Interest Rate During Construction/Operations: 4.25% (per City)

- **Repayment Method:** Although the bonds pay interest annually, the City is required to deposit the “principal” portion of the payment into a holding account. Therefore, the bond payments are treated as an annuity-style loan payment (equal payments throughout the loan term) for cashflow forecasting

5.1.7 Current State Assumptions

This section presents high level indicative current state scenarios of direct revenues and costs to the City if the assets were to continue operating in their existing condition. These scenarios serve as a baseline for comparing the expected financial position during the future operating period. The forecasts do not account for the fact that some assets, such as 70 Clarence, are at the end of their useful life and require replacement. They also exclude internal City costs. Under these scenarios, the City would **not** be advancing the vision set out in the BMPRP.

55 ByWard Market

Currently, the City subsidizes the BMDA for the management of 55 ByWard. BMDA collects all revenues generated from events and leases on the property. In addition, the City maintains 66 outdoor parking spaces and covers the building’s life cycle costs. The City’s net investment in 55 ByWard is estimated to be approximately \$76.6 million over 40 years.

TABLE 32: CURRENT STATE OF 55 BYWARD

Item	\$	Assumptions ²
Parking Revenues	12,606,192	66 outdoor parking spots generating \$2,060 per spot.
Total Revenues	12,606,192	
Parking Expenses	(13,389,490)	66 outdoor parking spots costing \$2,188 per spot.
Payment to BMDA	(37,087,945)	Assumed 50% of the \$800k funding contribution allocated to 55 ByWard.
Life Cycle Costs	(38,762,245)	Per the 2023 June BCA report. Estimated using average beyond 2043.
Total Expenses	(89,239,679)	
Net Cashflow	(76,633,487)	
NPV Cashflow	(\$20,125,294)	

70 Clarence

Currently, the City subsidizes the BMDA for the management of 70 Clarence. BMDA collects all revenues generated from events and leases on the property. In addition, the City

² All revenues and expenses for current state calculations have been escalated annually at 3%.

maintains 289 indoor parking spaces and covers the building’s life cycle costs. The City’s net investment in 70 Clarence is estimated be approximately \$25.9 million over 40 years.

TABLE 33: CURRENT STATE OF 70 CLARENCE

Item	\$	Assumptions
Parking Revenues	133,980,200	289 indoor parking spots generating \$5,000 per spot.
Total Revenues	133,980,200	
Parking Expenses	(53,592,080)	289 indoor parking spaces costing \$2,000 per spot.
Payment to BMDA	(29,670,356)	Assumed 40% of the \$800k funding contribution allocated to 70 Clarence.
Life Cycle Costs	(76,709,260)	Per the ByWard Garage – 70 Clarence Street Lifecycle Forecast Update. Estimated at \$250k annually beyond 2030. Assumes escalated \$7.2 million demolition at end of period.
Total Expenses	(159,971,696)	
Net Cashflow	(\$25,991,496)	
NPV Cashflow	(16,522,751)	

York Street

Currently, the City subsidizes the BMDA for the management of York Street Plaza(s). BMDA collects all revenues generated from events and leases on the property. In addition, the City maintains 84 outdoor parking spaces and covers the plaza’s life cycle costs. The City’s net investment in York Street is estimated to be approximately \$17.7 million over 40 years.

TABLE 34: CURRENT STATE YORK STREET

Item	\$	Assumptions
Parking Revenues	16,044,245	84 outdoor parking spots generating \$2,060 per spot
Total Revenues	16,044,245	
Parking Expenses	(17,041,169)	84 outdoor parking spaces costing \$2,188 per spot
Payment to BMDA	(7,417,589)	Assumed 10% of the \$800k funding contribution allocated to York Street
Life Cycle Costs	(9,271,986)	Estimated at \$100k annually.
Total Expenses	(33,730,744)	
Net Cashflow	(17,686,499)	
NPV Cashflow	(\$4,611,536)	

Overall, the City can expect a net investment of at least -\$120.3 million (nominally) or an NPV of -\$41.3 million for general upkeep of these assets and supporting the BMDA over the next 40 operating years. This estimate does not account for the fact that components of

the assets are at the **end of their useful life** and may require more significant renovations than those identified in the BCA reports.

TABLE 35: SUMMARY OF CURRENT STATE (\$)

Item	55 ByWard	70 Clarence	York Street
Parking Revenues	12,606,192	133,980,200	16,044,245
Total Revenues	12,606,192	133,980,200	16,044,245
Parking Expenses	(13,389,490)	(53,592,080)	(17,041,169)
Payment to BMDA	(37,087,945)	(29,670,356)	(7,417,589)
Life Cycle Costs	(38,762,245)	(76,709,260)	(9,271,986)
Total Expenses	(89,239,679)	(159,971,696)	(33,730,744)
Net Cashflow	(76,633,487)	(25,991,496)	(17,686,499)
Total Net Cashflow		(\$120,311,482)	
Total NPV of Cashflows		(\$41,259,582)	

5.2 Findings of the Financial Analysis

The following results are derived from the financial analysis, which incorporates the financing required for constructing the Project, as well as the projected financial outcomes over a 40-year operating period. This analysis captures total revenue generated, operating expenses, debt servicing costs, and net income over the modeled timeframe which matches the debt funding timeline.

5.2.1 Capital Costs

Capital Cost: 55 ByWard

As per **Table 36** below, total construction cost for 55 ByWard is estimated to be \$40.3 million which excludes tenant fit-up costs for anchor tenants. The City has identified \$1.6 million in available funding to progress design, leaving \$38.7 million to be financed. Total debt payment (interest and principal) required to finance this asset would be approximately \$2.0 million annually. A detailed version of the capital cost estimate can be found in **Appendix 1** which excludes the demolition and interest during construction cost.

TABLE 36: CAPITAL COSTS ESTIMATES FOR 55 BYWARD

Category	\$
Construction Costs	15,465,800
Prime Consultant	4,732,200
Development	5,132,800
Project Delivery	1,875,000
Escalation	2,129,700

Project Budget Without Contingency	29,335,500
Contingency	10,038,100
Project Budget With Contingency	39,373,500
Interest During Construction	885,722
Total Construction Cost	40,259,222
Funding Available	1,600,000
Amount to Finance	\$38,659,222

The expenditure profile in **Table 37** outlines the distribution of funds over the construction timeline. It shows preconstruction work being complete in 2026, and construction work throughout 2028 and 2029 as per the ByWard Market Feasibility – Construction Phasing and Implementation Memorandum. While there is no construction work scheduled for 2027 during the 200th anniversary, accrued interest during construction is accounted for.

TABLE 37: DISTRIBUTION OF TOTAL CONSTRUCTION COSTS (\$)

Year	2025	2026	2027	2028	2029
Distribution of Total Construction Costs (%)	-	5.00%	-	50.00%	45.00%
Distribution of Total Construction Costs (\$)	-	368,680	15,669	19,703,135	18,571,838

Capital Cost: 70 Clarence Street (Excluding Parking)

As per **Table 38** below, total construction cost for 70 Clarence is estimated to be \$71.2 million which excludes tenant fit-up costs for anchor tenants. The City has not identified any funding available for this project, leaving the full balance to be financed. The parking component has been separated from this estimate at the request of the City since separate funding has been identified for the structure. Total debt payment (interest and principal) required to finance this Project would be approximately \$3.7 million annually. A detailed version of the capital cost estimate can be found in **Appendix 2** which excludes the interest during construction and lease buyout cost.

TABLE 38: CAPITAL COSTS ESTIMATES FOR 70 CLARENCE STREET

Category	\$
Construction Costs	28,179,600
Prime Consultant	8,880,800
Development	4,524,700
Project Delivery	3,237,400
Escalation	4,662,200
Project Budget Without Contingency	49,484,700

Contingency	18,499,300
Project Budget With Contingency	67,984,000
Interest During Construction	2,051,586
Early Lease Buyouts	1,164,309
Total Construction Cost	71,199,895
Funding Available	-
Amount to Finance	\$ 71,199,895

The expenditure profile in **Table 39** outlines the distribution of funds over the construction timeline. It shows preconstruction work being complete in 2026, and construction work throughout 2028 and 2029 as per the ByWard Market Feasibility – Construction Phasing and Implementation Memorandum. While there is no construction work scheduled for 2027 during the 200th anniversary, accrued interest during construction is accounted for.

TABLE 39: DISTRIBUTION OF TOTAL CONSTRUCTION COSTS (\$)

Year	2025	2026	2027	2028	2029
Distribution of Total Construction Costs (%)	-	5.00%	-	50.00%	45.00%
Distribution of Total Construction Costs (\$)	-	4,563,509	193,949	34,194,192	32,248,245

Capital Cost: 70 Clarence Street (Parking only)

As per **Table 40** below, total construction cost for the 70 Clarence parking structure is estimated to be \$51.5 million, including the \$7.2 million demolition cost estimated by the City. There is currently a surplus in the parking reserve fund, for which \$7.2 million (not guaranteed) has been assumed to cover the demolition cost, leaving \$44.3 million to be financed. The total debt payment (interest and principal) required to finance this Project would be approximately \$2.3 million annually. A detailed version of the capital cost estimate can be found in **Appendix 3** which excludes the demolition and interest during construction cost.

TABLE 40: CAPITAL COSTS ESTIMATES FOR 70 CLARENCE STREET (PARKING ONLY)

Category	\$
Demolition	7,235,355
Construction Costs	17,845,800
Prime Consultant	5,624,200
Development	2,865,500
Project Delivery	2,050,300

Escalation	2,952,600
Project Budget Without Contingency	38,573,755
Contingency	11,715,600
Project Budget With Contingency	50,289,355
Interest During Construction	1,201,197
Total Construction Cost	51,490,552
Funding Available	7,235,355
Amount to Finance	\$44,255,197

The expenditure profile in **Table 41** outlines the distribution of funds over the construction timeline. It shows preconstruction and demolition work being complete in 2025 and 2026, and construction work throughout 2028 and 2029 as per the ByWard Market Feasibility – Construction Phasing and Implementation Memorandum. The parking reserve fund will cover the first \$7.2 million of demolition/construction. While there is no construction work scheduled for 2027 during the 200th anniversary, accrued interest during construction is accounted for.

TABLE 41: DISTRIBUTION OF TOTAL CONSTRUCTION COSTS (\$)

Year	2025	2026	2027	2028	2029
Distribution of Total Demolition Costs (%)	-	-	-	100.00%	-
Distribution of Total Construction Costs (%)	-	5.00%	-	50.00%	45.00%
Distribution of Total Construction Costs (\$)	-	2,152,700	91,490	21,622,378	20,388,629

Capital Cost: York Street Plaza

As per **Table 42** below, total construction cost for the York Street Plaza is expected to be \$34.2 million. The City has not identified any funding available for this project, leaving the full balance to be financed. These costs have been updated from the BRPMP. The total debt payment (interest and principal) required to finance this asset would be approximately \$1.8 million annually. A detailed version of the capital cost estimate can be found in **Appendix 4**

TABLE 42: CAPITAL COSTS ESTIMATES FOR YORK STREET PLAZA

Category	\$
Construction Costs	13,535,100
Prime Consultant	3,076,800
Development	3,609,400
Project Delivery	3,028,900
Escalation	1,413,400
Project Budget Without Contingency	24,663,600

Contingency	8,654,000
Project Budget With Contingency	33,317,600
Interest During Construction	929,554
Total Construction Cost	34,247,154
Funding Available	-
Amount to Finance	\$34,247,154

The expenditure profile in **Table 43** outlines the distribution of funds over the construction timeline. It shows preconstruction work being complete in 2026, and construction work throughout 2028 and 2029 as per the ByWard Market Feasibility – Construction Phasing and Implementation Memorandum. While there is no construction work scheduled for 2027 during the 200th anniversary, accrued interest during construction is accounted for.

TABLE 43: DISTRIBUTION OF TOTAL CONSTRUCTION COSTS (\$)

Year	2025	2026	2027	2028	2029
Distribution of Total Construction Costs (%)	-	5.00%	-	50.00%	45.00%
Distribution of Total Construction Costs (\$)	-	1,665,880	70,800	16,732,609	15,777,865

Capital Cost: Summary

A summary of the capital cost of the assets is presented in **Table 44**. The total capital investment across all four projects is approximately \$197.2 million, of which only \$8.8 million has identified funding from the parking reserve (non-guaranteed) and pre-design contributions. The remaining **\$188.3 million** will need to be financed through municipal debt or other unidentified funding sources. The total debt payment (interest and principal) required to finance the Project would be approximately \$9.9 million annually.

TABLE 44: SUMMARY OF CAPITAL COSTS (\$)

Construction Period	55 ByWard	70 Clarence	70 Clarence Parking	York Street Plaza
Demolition	-	-	7,235,355	-
Construction Costs	15,465,800	28,179,600	17,845,800	13,535,100
Prime Consultant	4,732,200	8,880,800	5,624,200	3,076,800
Development	5,132,800	4,524,700	2,865,500	3,609,400
Project Delivery	1,875,000	3,237,400	2,050,300	3,028,900
Escalation	2,129,700	4,662,200	2,952,600	1,413,400
Project Budget Without Contingency	29,335,500	49,484,700	38,573,755	24,663,600
Contingency	10,038,100	18,499,300	11,715,600	8,654,000
Project Budget With Contingency	39,373,500	67,984,000	50,289,355	33,317,600

Interest During Construction	885,722	2,051,586	1,201,197	929,554
Early Lease Buyouts	-	1,164,309	-	-
Total Construction Cost	40,259,222	71,199,895	51,490,552	34,247,154
Funding Available	1,600,000	-	7,235,355	-
Amount to Finance	38,659,222	71,199,895	44,255,197	34,247,154
Total Investment		\$188,361,468		

5.2.2 Net Financial Position

This section forecasts and analyzes the City’s net financial position based on the estimated capital costs and projected net operating income, using the assumptions outlined above. The analysis excludes the \$800 thousand annual contribution to the BMDA, as it is uncertain whether this arrangement would continue or be altered if the City proceeds with significant investment in these assets.

55 ByWard

As summarized below in **Table 45**, over the 40-year modeled operating period, 55 ByWard is projected to generate approximately \$165.4 million in total revenues and achieve a net operating income of \$56.8 million. These figures represent approximately \$2.2 million of revenues, \$1.2 million of operating expenses, and \$1.0 million in operating income in the year 2030, with all amounts escalated appropriately in subsequent years and lifecycle costs beginning in year 10 of operations. After accounting for debt servicing, the resulting net cash flows is estimated at -\$24.2 million or -\$9.4 million when considering the NPV, indicating that the net operating income will not be sufficient to repay the construction investment within 40 years and the investment does not generate a return in today’s dollars. However, the financial outlook represents an improvement over the status quo scenario, even with the significant investment required for 55 ByWard.

To improve the asset’s financial performance, the City will need to secure additional funding or revisit the functional program to identify opportunities for increased revenue. While the public hall and mezzanine provide a valuable event space, they also represent a significant amount of non-leasable area for which the City must cover operating and maintenance costs. Developing a strategy to increase both the frequency and rental fees for events would improve the financial viability of this space. However, the City or BMDA’s capacity to host events at the required scale, potentially on a weekly basis, will need to be assessed as well as the interference the events would cause to anchor tenants.

TABLE 45: CASHFLOWS FOR 55 BYWARD OVER 40-YEAR OPERATING PERIOD

Construction Costs	\$
Demolition Costs	-
Construction Costs	40,259,322
Total Construction Costs	40,259,322
Funding	
Funding Available	1,600,000

Financing	
Financing Required	38,659,322
Revenues	
Lease Revenues	98,696,055
Advertising Revenues	31,992,326
Sponsorship Fees	17,656,967
Revenues from Event Space	14,335,359
Revenues from Parking	2,700,991
Total Revenue	165,381,698
Operating Expenses	
O&M Expenses	42,334,839
Advertising Expenses	9,597,698
City Managed Operating Expenses	26,223,438
Event Expenses	7,167,679
Lifecycle Costs	20,373,410
Parking Expenses	2,868,820
Total Operating Expense	108,565,884
Debt Expense and Operating Income	
Net Operating Income	56,815,813
Debt Payments (Interest & Principal)	(81,058,374)
Net Cashflow	(24,242,561)
NPV of Net Cashflow	(\$9,445,181)

70 Clarence

As summarized below in **Table 46**, over the 40-year modeled operating period, 70 Clarence is projected to generate approximately \$429.9 million in total revenues and achieve a net operating income of \$193.7 million. These figures represent approximately \$5.7 million of revenues, \$2.6 million of operating expenses, and \$3.0 million in operating income in the year 2030, with all amounts escalated appropriately in subsequent years and life cycle costs beginning in year 10 of operations. After accounting for debt service obligations, the resulting net cash flow is estimated at \$44.4 million or \$2.7 million on an NPV basis. This indicates that the construction investment is fully repaid within the 40-year period, resulting in positive NPV outcome.

This outcome, however, assumes that anchor tenants and residents will pay premium market rates, which may present challenges for institutions such as the OSA and the PGC. The strong financial performance is largely driven by the high percentage of leasable space and the relatively small proportion of space allocated to the atrium, which can still generate some revenue to offset its costs, unlike the larger proportionately sized public hall at 55 ByWard. However, the financial performance is hindered by the assumption that the City will cover the O&M costs in the Atrium and Public space.

Given 70 Clarence's positive outlook, the City may still consider refining the functional program to secure additional funding or enhance future revenue potential.

TABLE 46: CASHFLOWS FOR 70 CLARENCE OVER 40-YEAR OPERATING PERIOD

Capital Costs		\$
Demolition Costs		-
Construction Costs		71,199,895
Total Construction Costs		71,199,895
Funding		
Funding Available		-
Financing		
Financing Required		71,199,895
Revenues		
Lease Revenues		380,217,078
Advertising Revenues		26,747,682
Sponsorship Fees		17,656,967
Revenues from Event Space		5,244,644
Revenues from Parking		-
Total Revenue		429,866,370
Operating Expenses		
O&M Expenses		172,319,205
Advertising Expenses		8,024,305
City Managed Operating Expenses		15,721,127
Event Expenses		2,622,322
Lifecycle Costs		37,522,345
Parking Expenses		-
Total Operating Expense		236,209,302
Debt Expense and Operating Income		
Net Operating Income		193,657,068
Debt Payments (Interest & Principal)		(149,287,351)
Net Cashflow		44,369,717
NPV of Net Cashflow		\$2,729,723

70 Clarence Parking

As summarized below in **Table 47**, over the 40-year modeled operating period, the parking structure at 70 Clarence is projected to generate approximately \$78.7 million in total revenues and achieve a net operating income of \$23.9 million. These figures represent approximately \$1.0 million of revenues, \$400 thousand of operating expenses, and \$600 thousand in operating income in the year 2030, with all amounts escalated appropriately in subsequent years and life cycle costs beginning in year 10 of operations. After accounting for debt service obligations, the resulting free cash flow is estimated at -\$68.9 million or -\$20.1 million on an NPV basis, indicating that the net operating income is not sufficient to

repay the construction investment within the 40-year period and the investment does not generate a return in today's dollars.

While the indoor parking generates operating income for the City, it does not justify the high demolition and construction costs of an underground parking facility, even if the parking reserve fund is used. The City will need to consider whether the cost of providing this parking is justified by the broader benefits it brings to the ByWard Market given the analysis presented earlier stating there is already sufficient residual parking in the area.

TABLE 47: CASHFLOWS FOR 70 CLARENCE PARKING OVER 40-YEAR OPERATING PERIOD

Capital Costs	\$
Demolition Costs	7,235,355
Construction Costs	44,255,197
Total Construction Costs	51,490,552
Funding	
Funding Available	7,235,355
Financing	
Financing Required	44,255,197
Revenues	
Lease Revenues	-
Advertising Revenues	-
Sponsorship Fees	-
Revenues from Event Space	-
Revenues from Parking	78,669,653
Total Revenue	78,669,653
Operating Expenses	
O&M Expenses	-
Advertising Expenses	-
City Managed Operating Expenses	-
Event Expenses	-
Lifecycle Costs	23,322,489
Parking Expenses	31,467,861
Total Operating Expense	54,790,350
Debt Expense and Operating Income	
Net Operating Income	23,879,303
Debt Payments (Interest & Principal)	(92,791,444)
Net Cashflow	(68,912,141)
NPV of Net Cashflow	(\$20,069,695)

York Street Plaza

As summarized below in **Table 48**, over the 40-year modeled operating period, York Street Plaza is projected to generate approximately \$37.7 million in total revenues and achieve a net operating income of \$9.3 million. These figures represent approximately \$425

thousand of revenues, \$290 thousand of operating expenses, and \$135 thousand in operating income in the year 2030, with all amounts escalated appropriately in subsequent years and lifecycle costs beginning in year 10 of operations. Once lifecycle costs are introduced, operating income drops significantly for this asset. After accounting for debt servicing, the resulting net cash flow is estimated at -\$62.4 million or -\$19.1 million on an NPV basis, indicating that the net operating income is not sufficient to repay the construction investment within the 40-year period and the investment does not generate a return in today's dollars.

While the event space has the potential to generate revenue, it is generally considered a public amenity for visitors to the ByWard Market. If the work proceeds as outlined in the BRPMP, it should be coordinated with the redevelopment of the other assets to avoid duplicating expenses and efforts. As with 55 ByWard, the City or BMDA's capacity to host events to a much larger scale will need to be assessed to improve the financial performance of this asset.

TABLE 48: CASHFLOWS FOR YORK STREET PLAZA OVER 40-YEAR OPERATING PERIOD

Capital Costs		\$
Demolition Costs		-
Construction Costs		34,247,154
Total Construction Costs		34,247,154
Funding		
Funding Available		-
Financing		
Financing Required		34,247,154
Revenues		
Lease Revenues		-
Advertising Revenues		-
Sponsorship Fees		-
Revenues from Event Space		32,166,623
Revenues from Parking		5,582,049
Total Revenue		37,748,671
Operating Expenses		
O&M Expenses		-
Advertising Expenses		-
City Managed Operating Expenses		-
Event Expenses		(16,083,311)
Lifecycle Costs		6,369,971
Parking Expenses		5,928,895
Total Operating Expense		28,382,177
Debt Expense and Operating Income		
Net Operating Income		9,366,495
Debt Payments (Interest & Principal)		(71,807,224)

Net Cashflow	(62,440,729)
NPV of Net Cashflow	(\$19,159,370)

Summary

Per **Table 49** below, the total net cash flows are estimated at -\$111.2 million, with a NPV of -\$45.9 million. With the current functional program, the Project is not in a breakeven cashflow scenario. These figures represent approximately \$9.4 million of revenues, \$4.5 million of operating expenses, and \$4.9 million in operating income in 2030 before accounting for debt repayments. These revenue figures are significantly higher than the roughly \$3 million the BMDA reported in 2024 excluding the funding contribution and warrants consideration regarding the service agreement if these investments progress.

The net cash flow results represent an approximate **\$9.1 million improvement** versus the current state scenario presented in **Section 5.1.7**, where no capital investment are made. In addition, these investments directly align with the BMPRP vision and would significantly enhance the ByWard Market as a landmark public asset.

When analyzing from a consolidated level, 55 ByWard and 70 Clarence could operate on a surplus basis whereby revenues could cover operating expenses and debt payments. To improve financial performance, the City will need to secure additional funding or revisit the functional program at 55 ByWard and 70 Clarence to identify opportunities to increase revenue.

When excluding the proposed subterranean parking garage, net cashflow improves by \$68.9 million, or about 60% of the current cashflow deficit. However, if the City decides not to include the underground parking structure in the project, additional analysis will be required. Currently, the demolition cost of the standing structure is allocated to the 70 Clarence parking structure and not the 70 Clarence destination building. The City will need to determine whether the parking reserve fund can be used to cover the cost of removing the existing structure in the absence of a plan to replace the parking.

While the event space has the potential to generate revenue, the investment into York Street is considered a public amenity for visitors to the ByWard Market. If the work proceeds as outlined in the BRPMP it should be coordinated with the redevelopment of the other assets to avoid duplicating expenses and efforts.

TABLE 49: SUMMARY OF NET FINANCIAL POSITION (\$)

Capital Costs	55 ByWard	70 Clarence	70 Clarence Parking	York Street Plaza
Total Construction Costs	40,259,322	71,199,895	51,490,552	34,247,154
Funding Available	1,600,000	-	7,235,355	-
Financing Required	38,659,322	71,199,895	44,255,197	34,247,154
Total Revenue	165,381,698	429,866,370	78,669,653	37,748,671
Total Expense & Lifecycle	(108,565,884)	(236,209,302)	(54,790,350)	(28,382,177)

Net Operating Income	56,815,813	193,657,068	23,879,303	9,366,495
Debt Payments (Int. & Princ.)	(81,058,374)	(149,287,351)	(92,791,444)	(71,807,224)
Net Cashflow	(24,242,561)	44,369,717	(68,912,141)	(62,440,729)
Total Net Cashflow		(111,225,715)		
NPV of Net Cashflow		(\$45,944,523)		

By analyzing the assets individually, this approach identifies which assets generate positive operating income, which could support future contributions to the BMDA, and highlights areas where improvements or further analysis may be warranted.

5.3 Other Considerations

The financial analysis presented above is based solely on the current functional program, which, at this early design stage, remains subject to change. This section outlines high-level alternative scenarios that deviate from the City's functional plan and overall vision, with the goal of potentially improving the Project's financial outcomes. Although these options were not fully evaluated within the business case, they have been discussed and are included here for consideration. Should the City choose to adjust its approach based on this preliminary analysis or in response to evolving market conditions, a more detailed assessment will be necessary.

5.3.1 Leasing vs. Selling for 70 Clarence Residential Units

The direction from the City was to lease the residential units, preferably at market rates. This approach will need to be reviewed against applicable City policies to determine whether market rents can be charged for new construction on City-owned land, and whether any affordability requirements apply. The case to sell the units could also be strong if it is more profitable for the City and requires less management.

As per **Table 50**, the leasing scenario shows positive cashflows over the project period if the units are leased at market rates. Total construction of the two floors is estimated to be \$12.0 million. By leasing the units at market rates of \$36 per ft² (equivalent to rent of approximately \$2,550 for an 850 ft² apartment) these construction costs can be recouped within the 40-year operating period.

This scenario produces positive net cashflow once debt obligations are met of \$11.5 million, and a NPV of \$1.4 million over the construction and operation period.

To improve financial performance, the City could consider managing the property directly rather than paying a property management firm to service the asset.

TABLE 50: LEASING RESIDENTIAL UNITS SCENARIO

Item	Nominal (\$)	NPV (\$)
Construction Costs	11,979,000	9,305,441

Revenues	55,033,976	12,414,574
Expenses	(12,146,613)	(2,740,035)
Lifecycle Costs	(6,312,933)	(1,254,614)
Net Operating Income	36,574,430	8,419,925
Debt Payments (Int. & Princ.)	(25,116,795)	(7,059,997)
Net Cashflow	\$11,457,635	\$1,359,928

In contrast, as per **Table 51**, selling the condos at market rates of \$550 per ft² (equivalent to a sale of \$467 thousand for a 850 ft² condo) produces a negative cashflow both in nominal and NPV terms.³ Under this scenario, the City does not recover the construction cost of the residential units. To achieve a break-even NPV, the City would need to sell the condominium units at approximately \$825 per ft², or 50% higher than comparable units in the area.

TABLE 51: SELLING RESIDENTIAL UNITS SCENARIO

Item	Nominal (\$)	NPV (\$)
Construction Costs	11,979,000	9,305,441
Revenues	9,691,531	6,832,147
Expenses	(387,661)	(273,286)
Lifecycle Costs	-	-
Net Operating Income	9,303,870	6,558,861
Debt Payments (Int. & Princ.)	(11,979,000)	(9,831,784)
Net Cashflow	(\$2,675,130)	(\$3,272,922)

Current analysis indicates that, based on current construction cost estimates, leasing the residential units over the 40-year operating period may result in a more favourable long-term financial outcome compared to selling the units at current market rates. As design development progresses and more detailed construction estimates become available, the financial outlook may shift accordingly. Additionally, given the unique character of the proposed building as a landmark or destination development in the ByWard Market, further assessment of achievable selling prices will be necessary to validate this scenario.

If the City considers selling the air rights for the residential component based on the current functional program, a sale in the range of \$584 thousand would provide value equivalent to the discounted cash flows of the leasing scenario. If a developer is willing to pay this amount (or more), the City could generate value with significantly less effort than

³ \$550 per ft² considered a comparable market rate based on average from active condo listings in the ByWard Market Area.

constructing and managing the residential units directly and could redirect the proceeds to support other parts of the project.

5.3.2 Increase Residential Footprint at 70 Clarence

As shown in the functional program for 70 Clarence, the residential units are set back significantly from the first 3 floors of the building leaving significantly less leasing space available for what is estimated to be a profitable component of the building.

Revising the functional program for residential floors to match the area of the third floor (22,335 ft² per floor per the program) increases the estimated construction cost from \$12.0 million to \$35.2 million. This option would need to be balanced against the need to uphold the intent of applicable heritage policies, including architectural excellence and maintaining the visual prominence of 55 ByWard. Importantly, the overall development would remain a civic and institutional facility, rather than a typical mixed-use project.

Under the revised scenario, shown below in **Table 52**, net cashflows from leasing are \$33.7 million with an NPV of \$4.0 million over the construction and operation period. This represents an additional \$22.2 million in net cashflow to the City versus the current layout.

TABLE 52: INCREASED AREA IN RESIDENTIAL FLOOR SCENARIO

Item	Nominal (\$)	NPV (\$)
Construction Costs	35,202,235	27,345,548
Revenues	161,734,718	36,484,146
Expenses	(35,696,657)	(8,052,458)
Lifecycle Costs	(18,551,578)	(3,686,886)
Net Operating Income	107,486,483	24,744,802
Debt Payments (Int. & Princ.)	(73,809,777)	(20,746,947)
Net Cashflow	\$33,676,706	\$3,997,855

Under this scenario, selling the air rights for the residential component based on the current functional program in the range of \$1.7 million would provide value equivalent to the discounted cash flows of building and leasing the revised space. Unless a study was completed which found that there is no housing demand in this area, the City should consider increasing the residential area in the function program to generate additional revenue.

5.3.3 Charge Market Rate Rents at 70 Clarence

As mentioned earlier, the financial case for 70 Clarence relies on tenants being able to pay market rates for their space. Using the OSA as an example, this section analyzes the financial impact of a large tenant requiring a discount.

In the current scenario, as shown in **Table 53**, construction costs to build the 24,649 ft² are estimated at \$18.9 million. Leasing the space to OSA at market rates of \$31 per square foot

would equate to an annual net lease of \$786,089. Under this scenario, the Project becomes financially viable in both nominal and NPV terms. Projected revenues over the operating period reach \$68.7 million, resulting in net cashflow of \$19.1 million and an NPV of \$2.4 million. Under this scenario, the City can repay their debt obligations with the net cashflow generated. Therefore, leasing the community art hub space at market rates is a sustainable and financially favorable outcome for the City.

TABLE 53: MARKET RATES AT COMMUNITY ART HUB FLOOR

Item	Nominal (\$)	NPV (\$)
Construction Costs	18,903,300	14,684,326
Revenues Net of O&M Expenses	68,707,385	15,499,024
Lifecycle Costs	(9,962,039)	(1,979,826)
Net Operating Income	58,745,346	13,519,198
Debt Payments (Int. & Princ.)	(39,635,221)	(11,140,934)
Net Cashflow	\$19,110,125	\$2,378,264

However, the OSA currently pays (through support from the City) a net lease of approximately \$390,678 per year for 23,250 square feet of space at the 35 George Street location, or \$16.80 per ft² which is significantly below assumed market rental rates. If OSA were to relocate to 70 Clarence Street and continue paying a similar rate for the space, their net lease would proportionately equate to \$414,281.

Under this scenario, the City would not be able to cover the debt obligations for the space at 70 Clarence Street as shown in **Table 54**. In addition, the scenario leads to discounted cashflows of -\$4.9 million. This doesn't take into the account that the space being constructed is shelled space and requires an additional estimated \$6.9 million in fit-up costs that the City may need to contribute towards.

TABLE 54: DISCOUNTED LEASES AT COMMUNITY ART HUB

Item	Nominal (\$)	NPV (\$)
Construction Costs	18,903,300	14,684,326
Revenues Net of O&M Expenses	36,212,630	8,168,851
Lifecycle Costs	(9,962,039)	(1,979,826)
Net Operating Income	26,250,591	6,189,025
Debt Payments (Int. & Princ.)	(39,635,221)	(11,140,934)
Net Cashflow	(\$13,384,630)	(\$4,951,908)

The City should take this analysis into account when designing niche spaces intended for large tenants. If lease agreements are not secured during the detailed design phase, the spaces should be designed with flexibility in mind, allowing for future partitioning. This

approach will reduce the City's reliance on a small number of large or specialized tenants and help mitigate financial risk.

5.3.4 Dispose 70 Clarence Site

Depending on the priority, the City could look to sell the property at 70 Clarence to generate funding for the 55 ByWard project.

Per the City, the market value of 70 Clarence Street is approximately \$12.6 million. Based on previous studies in 2023, it was determined that every \$875 thousand to \$1.5 million, depending on the reduction in the purchase price results in one less storey of density required in order for a private sector developer to make their profitability hurdle rate. Therefore, the following options could be considered:

- If the City revises the current height restrictions, it could potentially sell the site for the \$12.6 million valuation;
- If the City wants to maintain its five-storey height maximum on site, it could reduce the purchase price of the site to an estimated \$4.4 million to \$7.5 million, depending on the specific uses, based on the assumptions in the Colliers analysis; or
- If the City wants to keep ownership of the site, it could sell air rights for a developer to build condos or rental units on top of the City owned assets, for which the price is unknown at this time. Analysis from the previous section shows the air rights could be valued between \$1.4 million to \$4.0 million.

From a strictly financial perspective, the property valuation of \$12.6 million is substantially higher than the previously estimated NPV of cashflow of \$2.7 million, as shown in **Table 46**.

Some potential consequences of disposing 70 Clarence include:

- Loss of long-term control over how the site is used or programmed, limiting the City's ability to align it with public priorities;
- Risk of not achieving the full vision of the BMPPR, particularly goals related to civic use, cultural programming, and public access;
- Reduced future revenue potential, as selling the property would eliminate the opportunity for the City to benefit from ongoing rental income or value appreciation over time; and
- The City's [disposal policies](#) would have to be considered, which could further implicate this option.

5.3.5 Consider Removal of Subterranean Parking from Program

As per the BMPPR, “the key goal of the Public Realm Plan is to shift the perception of the Market from a vehicular-oriented space to one where pedestrians come first. This simple idea has far-reaching implications for how space is allocated in the public right of way among its users including pedestrians, cyclists and vehicles.” Including subterranean parking within the program does not align with this key principle of the BMPPR.

If the current parking facility at 70 Clarence were demolished, the BMPRP does not require that parking be replaced within the same footprint. In fact, it recommends avoiding parking replacement within the core area of the ByWard Market. Current analysis indicates that there is already sufficient residual parking capacity available on nearby streets and within surrounding off-street parking garages.

As shown in **Section 5.2.2**, the subterranean parking lot, after accounting for debt service obligations, is projected to result in a net cash flow of approximately -\$68.9 million. This indicates that the net operating income would be insufficient to recover the construction investment within the 40-year period and that the investment would not generate a positive return in today's dollars.

Removing subterranean parking from the program could reduce project complexity, particularly given the heritage context of the site and potential ROW conflicts with the York Street construction, and could also avoid an estimated \$68.9 million cost over 40 years. These funds could instead be directed toward alternative parking strategies in surrounding areas or other initiatives within the BMPRP.

However, if the garage at 70 Clarence were removed without replacement, there is a risk that private parking lots in the area could be sold and redeveloped for higher value uses, potentially reducing the overall parking supply in the long term.

5.3.6 Financing Considerations

In addition to the limited funding identified in the business case and debt financing through municipal bonds, the following financing considerations were discussed through the completion of this report which will improve the financial outcome of the Project:

TABLE 55: ALTERNATIVE FINANCING CONSIDERATIONS

Financial Instrument	Intended Use
Property Tax Uplift	The incremental "uplift" tax revenue can be allocated over the financing term to subsidize the Project.
Levy	Impose ByWard Market tourism levy (applied to all users) to fund capital costs.
Debt	Opportunity to debt-finance capital costs.
3rd Party Contributions	Leverage potential federal or provincial funding opportunities, as well as third-party contributors such as partnerships with tenants, external funding sources, funding sponsors, etc.
Asset Sale	Opportunity to dispose of 70 Clarence to fund 55 ByWard project
Reserves	City reserve accounts that allow for use towards construction costs of any of the subject properties.
Recreation, Culture, Facility Services	Per City, community uses in the main open hall may generate a funding source
Ottawa Tourism	Per City, Ottawa Tourism (OT) has an event infrastructure fund. However, the OT funding could trigger required upgrades to

	designate the main hall as flex space, limiting revenue opportunities.
Participation Rent	City to retain a % of gross revenue from events, rentals, restaurant sales, or residential lease income above a threshold in return for the leased space or below market rent leasing opportunities
Municipal Accommodation Tax	Since this site would be considered a tourism infrastructure investment, funds could be redirected from this tax to help fund debt servicing.

The proposed functional program, by integrating civic, cultural, and residential components, has the potential to attract additional funding from all levels of government and grants in future phases as well as the potential for private funding opportunities. The City will need to actively monitor emerging funding programs and remain flexible in adapting the project scope or sequencing to align with these opportunities where appropriate, in order to reduce reliance on debt financing.

Some successful examples of similar scale **Canadian Projects** that attracted significant mix of private and public funding include the following:

Remai Modern Art Gallery (Saskatoon)

Secured more than \$30 million in public funding (Provincial and Federal), more than \$20 million in private donations (mainly from the Frank and Ellen Remai Foundation and from fundraising), and \$39.8 million from the City of Saskatoon highlighting how a mixed-use cultural project can attract multi-source investment.

The National Music Centre (Calgary)

Raised over \$25 million in Federal funding through the Building Canada Fund, another \$25 million from the Province and \$25 million from the City of Calgary, as well as \$10 million from corporate sponsors and private donors, largely due to its integration of public programming, performance space, and heritage preservation

AGO Expansion: The Dani Reiss Modern and Contemporary Gallery (Toronto)

Currently in the planning phase but widely supported, the AGO is launching an expansion project to significantly increase gallery space for its growing collection of modern and contemporary art. To date, the Federal government has agreed to invest \$25 million to meet net-zero carbon operating standards. The Project also received a significant private donation of \$35 million from Dani Reiss (Chairman and CEO of Canada Goose). Ongoing fundraising at the AGO will continue to be ongoing, including its signature fundraising Gala.

Section 6: Conclusion

6.1 Financial Outcome

Per **Table 56** below, the total net cash flows are estimated at -\$111.2 million, with a NPV of -\$45.9 million. With the current functional program, the Project is not in a breakeven cashflow scenario. These figures represent approximately \$9.4 million of revenues, \$4.5 million of operating expenses, and \$4.9 million in operating income in 2030 before accounting for debt repayments. These revenue figures are significantly higher than the roughly \$3 million the BMDA reported in 2024 excluding the funding contribution and warrants consideration regarding the service agreement if these investments progress.

The net cash flow results are approximately a **\$9.1 million improvement** versus the current state scenario presented in **Section 5.1.7**, where no capital investment are made. In addition, these investments directly align with the BMPRP vision and would significantly enhance the ByWard Market as a landmark public asset.

When analyzing from a consolidated level, 55 ByWard and 70 Clarence could operate on a surplus basis whereby revenues could cover operating expenses and debt payments. To improve financial performance, the City will need to secure additional funding or revisit the functional program at 55 ByWard and 70 Clarence to identify opportunities to increase revenue.

When excluding the proposed subterranean parking garage, net cashflow improves by \$68.9 million, or about 60% of the current cashflow deficit. However, if the City decides not to include the underground parking structure in the project, additional analysis will be required. Currently, the demolition cost of the standing structure is allocated to the 70 Clarence parking structure and not the 70 Clarence destination building. The City will need to determine whether the parking reserve fund can be used to cover the cost of removing the existing structure in the absence of a plan to replace the parking.

While the event space has the potential to generate revenue, the investment into York Street is considered a public amenity for visitors to the ByWard Market. If the work proceeds as outlined in the BRPMP it should be coordinated with the redevelopment of the other assets to avoid duplicating expenses and efforts.

TABLE 56: SUMMARY OF NET FINANCIAL POSITION (\$)

Capital Costs	55 ByWard	70 Clarence	70 Clarence Parking	York Street Plaza
Total Construction Costs	40,259,322	71,199,895	51,490,552	34,247,154
Funding Available	1,600,000	-	7,235,355	-
Financing Required	38,659,322	71,199,895	44,255,197	34,247,154
Total Revenue	165,381,698	429,866,370	78,669,653	37,748,671
Total Operating Expense	(108,565,884)	(236,209,302)	(54,790,350)	(28,382,177)
Net Operating Income (NOI)	56,815,813	193,657,068	23,879,303	9,366,495
Debt Payments (Int. & Princ,)	(81,058,374)	(149,287,351)	(92,791,444)	(71,807,224)
Net Cashflow	(24,242,561)	44,369,717	(68,912,141)	(62,440,729)
Total Net Cashflow		(111,225,715)		
NPV of Net Cashflow		(\$45,944,523)		

To improve the financial outcome of this Project, the City can consider the following:

- Increasing the area footprint of the residential units at 70 Clarence to match Floor 3;
- Reconsider the below grade parking structure at 70 Clarence; and
- Inquire about selling the property of 70 Clarence or sell the air rights for the residential units.

6.2 Next Steps

The following steps have been identified before the City significantly progresses design on the Project:

Request for Expressions of Interest

In March 2022, the City launched a Request for Expressions of Interest (RFEI) for the redevelopment of 70 Clarence Street and the creation of a new destination building. The initial RFEI generated limited industry response and did not provide sufficient input (such as a detailed program) to advance the objectives of the BMPRP.

Since that time, the City has undertaken substantial preparatory work, including the development of a detailed functional program, the establishment of a clear vision, the setting of a realistic budget, and the creation of a structured procurement strategy. With these foundations in place, issuing a private RFEI could yield more meaningful engagement by exploring developer interest, potential partnership models, and feedback on the financial and market viability of the current program, ultimately informing future delivery decisions.

The City could issue a private RFEI specifically for the 70 Clarence site. This process would invite selected developers to formally express their interest in partnering with the City to

redevelop the site based on the current functional program. This RFEOI would not commit the City to any partnership but would allow it to:

- Gauge market interest in the project from credible developers;
- Understand what types of partnership structures or delivery models (e.g., joint venture, lease-back, strata) developers would propose;
- Get feedback on the financial viability and market appeal of the current program; and
- Inform next steps, such as issuing a formal RFP, adjusting the program, or refining the project delivery approach.

Further Engagement with Federal Government

As a next step, the City should engage with Federal Government to explore opportunities for capital funding support and to assess the feasibility and level of interest from the PGC in securing a physical presence within the 70 Clarence, given that it currently operates without a permanent location. The financial analysis has identified that securing market rents at 70 Clarence is essential to the long-term financial feasibility of the project, making federal participation through tenancy or funding a critical component to its success.

Assessment of BMDA Capacity and Operating Model

As a next step, the City should assess the capacity and capabilities of the BMDA to manage and operate the expanded portfolio of assets, particularly given the scale and complexity of the proposed program at 70 Clarence and 55 ByWard. This should include a re-evaluation of the existing funding agreement with BMDA to determine whether more or less financial support is appropriate in light of the significant increase in potential operating revenues.

As part of this assessment, particular attention should be given to BMDA's ability to program and operate the event space at 55 ByWard, including the staffing, marketing, and operational expertise required to deliver frequent events, such as weekly weddings or corporate functions, that would enable the facility to break even. Further assessment also needs to be completed as to how these major (and potentially frequent) events would affect the operating hours of anchor tenants.

Engagement with the Anishinaabe Algonquin First Nation

The City will lead Indigenous consultation with the Anishinaabe Algonquin as the project advances. This process may create opportunities for social and funding partnerships. As a next step, it could be worthwhile to explore whether the Nation is interested in engaging with the City or potential developers regarding the development of the property. This would be similar the Pikwakanagan and Kitigan Zibi interest in off-reserve land acquisition and purchases.

6.3 Conclusion

The vision for the ByWard Market is to establish a vibrant destination hub by revitalizing 55 ByWard Market Square, 70 Clarence Street, and the York Street Plaza. The proposed transformation focuses on food retail, complementary commercial offerings, an outdoor public market, and high-quality public spaces capable of hosting both small and large events. This is a catalytic opportunity to reimagine the Market in a way that enhances commercial vitality, delivers meaningful public benefits, and strengthens its appeal to both residents and visitors.

The financial analysis indicates that, with targeted adjustments to the functional program, there is potential to achieve a financially sustainable outcome across the portfolio. Advancing these investments supports the vision laid out in the BMPPR and would significantly elevate the Market's role as a landmark civic asset.

This is a complex initiative involving multiple City departments and external stakeholders. As the City moves forward, it will need to carefully assess the right balance between long-term financial feasibility and the broader social, cultural, and economic value of maintaining these sites as publicly owned community assets that contribute to tourism, local business, and public life in Ottawa.

Appendix 1: Capital Cost Estimate – 55 ByWard

Project Budget Estimate		- CLASS 'D'		Ottawa		
Date (dd-mmm-yyyy):	08/Jan/2026			Infrastructure Services Design & Construction, Buildings		
Project No:	55 Byward Market Redevelopment			HST: 1.76%		
Project Address:				ALL FIGURES ARE ROUNDED		
Project Description:						
Project Manager:						
1.00 CONSTRUCTION		Cost Elemer	Subtotal	HST Included		
1.01	Construction Items	Units \$ / Unit				
.1	Building Enhancements	1.0 \$ 10,510,000.00	\$10,510,000.00		\$10,695,000.00	
.2	Lifecycle from BCA 2023, escalated to 2025	1.0 \$ 4,688,300.00	\$4,688,300.00		\$4,770,900.00	
.3		1.0	\$0.00		\$0.00	
.4		1.0	\$0.00		\$0.00	
.5		1.0	\$0.00		\$0.00	
.6		1.0	\$0.00		\$0.00	
.7		1.0	\$0.00		\$0.00	
1.02	Construction budget in year	(2025)	\$15,198,300.00		\$15,465,800.00	
1.03	Escalation to cost in year	(2028) (see Escalation tab)	\$ 1,409,300.00		\$1,434,200.00	
1.04	Construction Subtotal		\$ 16,607,600.00		\$16,899,900.00	
1.07	Incentive (ID)	(0%) of line 1.04	\$0.00		\$0.00	
1.08	Construction Contingency @	(40%) of line 1.04	\$6,643,100.00		\$6,760,100.00	
1.09	Construction Total		503501 \$23,250,700.00		\$23,660,000.00	
2.00 PRIME CONSULTANT			Subtotal	HST Included		
2.01	PRIME CONSULTANT BASE PRICE	(20%) of line 1.09	\$4,650,200.00		\$4,732,100.00	
2.02	Prime Consultant Design	(50%) of line 2.01	\$2,325,100.00		\$2,366,100.00	
2.03	Design Contingency @	(20%) of line 2.02	\$465,100.00		\$473,300.00	
2.04	Sub Total Design		502668 \$2,790,200.00		\$2,839,400.00	
2.05	Prime Consultant Contract Admin	(50%) of line 2.01	\$2,325,100.00		\$2,366,100.00	
2.06	Contract Admin Contingency @	(20%) of line 2.05	\$465,100.00		\$473,300.00	
2.07	Sub Total Contract Admin		502681 \$2,790,200.00		\$2,839,400.00	
2.08	Prime Consultant Total		\$5,580,400.00		\$5,678,800.00	
3.00 DEVELOPMENT			Subtotal	HST Included		
3.01	Feasibility, Analysis and Assoc. Fees	(5%) of line 1.09	502330 \$1,183,000.00		\$1,203,900.00	
3.02	Special & Client Assigned Consultants		502331 \$0.00		\$0.00	
3.03	Testing and Inspection		502671 \$0.00		\$0.00	
3.04	Commissioning Services		502671 \$0.00		\$0.00	
3.05	Site Plan Application Fee		502912 \$0.00		\$0.00	
3.06	Building Permit Fees (includes HST)		502665 \$211,800.00		\$215,600.00	
3.07	Application fees (EA, MOE, LEED and other special permits)		502912 \$0.00		\$0.00	
3.08	Printing, courier, supplies and materials		502396 \$0.00		\$0.00	
3.09	Art in Public Spaces	(1.0%) of line 1.09	502927 \$236,600.00		\$240,800.00	
3.10	Signage		505772 \$0.00		\$0.00	
3.11	Security System (ISMS)		502379 \$0.00		\$0.00	
3.12	IT / Telecom infrastructure and equipment		502131 \$0.00		\$0.00	
3.14	Specialty Equipment and Appliances		506178 \$0.00		\$0.00	
3.15	Furniture		506173 \$220,000.00		\$223,900.00	
3.16	Packing and Moving		502901 \$0.00		\$0.00	
3.17	Utilities (Hydro)		505348 \$3,192,600.00		\$3,248,800.00	
3.18	Utilities (Enbridge)		503502 \$0.00		\$0.00	
3.19	Reserved A		503503 \$0.00		\$0.00	
3.20	Reserved B		503504 \$0.00		\$0.00	
3.21	Reserved C		503505 \$0.00		\$0.00	
3.22	Reserved D		503506 \$0.00		\$0.00	
3.24	Development Subtotal		\$5,044,000.00		\$5,132,800.00	
3.25	Design & Development Escalation	(2028)	\$ 683,400.00		\$695,500.00	
3.26	Development Subtotal		\$ 5,727,400.00		\$5,828,300.00	
3.27	Development Contingency @	(40%) of lines 3.01-3.23 & 3.25	503550 \$2,291,000.00		\$2,331,400.00	
3.28	Development Total		\$ 8,018,400.00		\$8,159,700.00	
4.00 PROJECT DELIVERY			Subtotal	HST Included		
4.01	Project Delivery Subtotal	(5%) of lines 1.09+2.03+3.28	502672 \$1,842,500.00		\$1,875,000.00	
4.02	Project Delivery Total		\$1,842,500.00		\$1,875,000.00	
5.00 PROPERTY			Subtotal	HST Included		
5.01	Land Purchase / Leases / Easements & Legal / Appraisal		\$0.00		\$0.00	
5.02	Property Total		\$0.00		\$0.00	
6.00 PROJECT BUDGET			Subtotal	HST Included		
6.01			\$ 38,692,000.00		\$39,373,500.00	
Note:		PROJECT BUDGET ESTIMATE		Before Contingency	Contingency	
The intent of a Class 'D' estimate is to provide "order of magnitude" pricing of the final project cost and to provide an indication of cost for decision making and allow for ranking of all the options being considered. This estimate is based upon client program as submitted. A Class 'D' estimate is based upon a statement of requirements, and an outline of potential solutions, this estimate is strictly an indication (rough order of magnitude) of the final project cost, and should be sufficient to provide an indication of cost and allow for ranking all the options being considered. A Class 'D' Cost estimate has a financial risk of up to +/- 50%.		Hard Costs (Constr., Consult., Devpt.)		\$27,460,400.00	\$10,038,100.00	
		Soft Costs (Prj. Delivery, Property)		\$1,875,000.00	**NO CONTINGENCY	
		Total Cost including Contingency		\$39,373,500.00		
		Contingency		37%		
This Class 'D' estimate is based on known market conditions at the date of issuance. The estimate is limited to the items shown and does not include for environmental assessments or any other subsurface conditions particular to a specific site. The estimate does not account for designated substances and hazardous materials remediation and reports associated with the modifications to existing structures. Upon determination of a site specific location and further development of a Project Program of Requirements (Project Brief), a more detailed estimate must be developed prior to the establishment of the Preliminary Project Budget.						

Appendix 1 – Breakdown of Construction Cost Estimate – 55 ByWard

Type	Description	\$	Note
	Water/Sewer upgrade	\$ 442,041	Identified in BCA2023 ⁴
Building Services	Electrical upgrade	\$50,000	TBD Existing 347/600V 400A Service needs new main (hydro), switch gear is in good condition.
	Natural gas revisions	\$50,000	To suite new tenant mix.
HVAC	HVAC upgrade	\$1,000,000	New air handling, zoning, controls, mods / replacements to ductwork. Assuming using existing boilers
	Pump Motor Control Replacement	\$22,986	Identified in BCA2023
Plumbing	Domestic Water tank / recirc	\$10,609	Identified in BCA2023
	Washrooms New - ground floor, second floor	\$600,000	Complete new non-gendered washrooms
	Rough in for 2nd floor restaurants	\$100,000	Hand over base and shell
Electrical Distribution	Selective Panel Replacements	\$176,817	Identified in BCA2023
	Splitters and Disconnect Replacement	\$114,931	Identified in BCA2023
	Meter Center Upgrade	\$22,102	Identified in BCA2023, reduced quantity
	New Exterior Lighting	\$44,204	Identified in BCA2023
	New switches and receptacles	\$22,102	Identified in BCA2023
	New lighting fixtures (except tenant areas)	\$150,000	Assume LED throughout, basic centralized controls
	Misc	\$50,000	For specialty base building electrical devices

⁴ BCA costs provided by City of Ottawa and adjusted for escalation and contingency.

Life Safety	New Building Security System	\$88,408	Identified in BCA2023 (non urgent but significant changes expected)
	Emergency lighting system	\$26,523	Identified in BCA2023
	Modification to sprinkler system	\$50,000	Existing wet pipe system in good condition
	Fire Alarm System (mods to existing)	\$10,000	
Basement	Repair concrete spalling walls/slabs	\$26,523	Identified in BCA2023
	Basement Demo/excavation	\$500,000	
	Basement Structural revisions	\$250,000	
	Basement clean up	\$200,000	
New tenant space	North Main floor (Bakery)	\$250,000	Base building level
	South Main floor (Grocery)	\$250,000	Base building level
	North 2nd floor	\$200,000	Base building level
	South 2nd floor	\$200,000	Base building
	Rooftop North	\$500,000	new roof terrace
	Rooftop South	\$500,000	new roof terrace
Envelope	Roofing replacement (north/south low slope)	\$ -	Complete
	Windows (restore 2nd floor)	\$1,768,167	Identified in BCA2023
	Exterior Flooring (replace with new)	\$97,249	Identified in BCA2023
	Clean / select repointing brick	\$132,613	Identified in BCA2023
	Exterior Caulking	\$53,045	Identified in BCA2023
	Soffits - repair to damaged panels	\$26,523	Identified in BCA2023
	Sloped Roof Replacements	\$751,471	Identified in BCA2023
	Overhead door replacement	\$221,021	Identified in BCA2023

	Paint trim	\$88,408	Identified in BCA2023
	Loading dock (exterior surface)	\$500,000	
	Heritage allowance (restorations)	\$500,000	Restoration of select specialty elements
	New doors/windows	\$250,000	Modifications or replacement of existing
	Roofing (structural modifications)	\$400,000	Modifications for skylights, roof terraces
	Skylights	\$500,000	
Interior	Repair of existing stairs	\$13,261	Identified in BCA2023
	New Ceramic Flooring	\$530,450	Identified in BCA2023
	Terrazzo Flooring repair	\$8,841	Identified in BCA2023
Project Specific Works	Designated substances (all areas)	\$500,000	(allowance, no DSR provided)
	Demo	\$500,000	
	Misc 'make good'	\$500,000	
	New Terrazzo Flooring	\$50,000	
	Painting	\$350,000	
	New Stairs (main hall) and railings	\$750,000	
	New elevator (3 floors), inc basement	\$800,000	New 3300lb traction, incl. new shaft
Total Maintenance Identified in BCA2023		\$4,688,294	Does not include all BCA2023 cost due to overlaps with new scopes, and items with long remaining life; not project trigger replacements
Total Project specific works		\$10,510,000	
Total Construction Hard Costs⁵		\$15,198,300	Hard cost budget excluding tax & contingencies

⁵ As per Hobin's ByWard Market Feasibility Report for 55 ByWard and 70 Clarence. FF&E was estimated at \$220,000.

Appendix 2: Capital Cost Estimate – 70 Clarence


Project Budget Estimate		- CLASS 'D'		Ottawa Infrastructure Services Design & Construction, Buildings																
Date (dd-mmm-yyyy):	08/Jan/2026			HST: 1.76%																
Project No:				ALL FIGURES ARE ROUNDED																
Project Name:	70 Clarence																			
Project Address:																				
Project Description:																				
Project Manager:																				
1.00 CONSTRUCTION		Units	\$ / Unit	Cost Element	Subtotal	HST Included														
1.01	Construction Items																			
.1	Construction Cost	1.0	\$ 27,692,200.00		\$27,692,200.00	\$28,179,600.00														
.2		1.0			\$0.00	\$0.00														
.3		1.0			\$0.00	\$0.00														
.4		1.0			\$0.00	\$0.00														
.5		1.0			\$0.00	\$0.00														
.6		1.0			\$0.00	\$0.00														
.7		1.0			\$0.00	\$0.00														
1.02	Construction budget in year	(2025)			\$27,692,200.00	\$28,179,600.00														
1.03	Escalation to cost in year	(2029)	(see Escalation tab)		\$ 3,475,700.00	\$3,536,900.00														
1.04	Construction Subtotal				\$ 31,167,900.00	\$31,716,500.00														
1.07	Incentive (ID)	(0%)	of line 1.04		\$0.00	\$0.00														
1.08	Construction Contingency @	(40%)	of line 1.04		\$12,467,200.00	\$12,686,700.00														
1.09	Construction Total			503501	\$43,635,100.00	\$44,403,200.00														
2.00 PRIME CONSULTANT					Subtotal	HST Included														
2.01	PRIME CONSULTANT BASE PRICE	(20%)	of line 1.09		\$8,727,100.00	\$8,880,700.00														
2.02	Prime Consultant Design	(50%)	of line 2.01		\$4,363,600.00	\$4,440,400.00														
2.03	Design Contingency @	(40%)	of line 2.02		\$1,745,500.00	\$1,776,300.00														
2.04	Sub Total Design			502668	\$6,109,100.00	\$6,216,700.00														
2.05	Prime Consultant Contract Admin	(50%)	of line 2.01		\$4,363,600.00	\$4,440,400.00														
2.06	Contract Admin Contingency @	(40%)	of line 2.05		\$1,745,500.00	\$1,776,300.00														
2.07	Sub Total Contract Admin			502681	\$6,109,100.00	\$6,216,700.00														
2.08	Prime Consultant Total				\$12,218,200.00	\$12,433,400.00														
3.00 DEVELOPMENT					Subtotal	HST Included														
3.01	Feasibility, Analysis and Assoc. Fees	(5%)	of line 1.09	502330	\$2,220,200.00	\$2,259,300.00														
3.02	Special & Client Assigned Consultants			502331	\$0.00	\$0.00														
3.03	Testing and Inspection			502671	\$0.00	\$0.00														
3.04	Commissioning Services			502671	\$0.00	\$0.00														
3.05	Site Plan Application Fee			502912	\$0.00	\$0.00														
3.06	Building Permit Fees (includes HST)			502665	\$397,400.00	\$404,400.00														
3.07	Application fees (EA, MOE, LEED and other special permits)			502912	\$0.00	\$0.00														
3.08	Printing, courier, supplies and materials			502396	\$0.00	\$0.00														
3.09	Art in Public Spaces	(1.0%)	of line 1.09	502927	\$444,100.00	\$452,000.00														
3.10	Signage			505772	\$0.00	\$0.00														
3.11	Security System (ISMS)			502379	\$0.00	\$0.00														
3.12	IT / Telecom infrastructure and equipment			502131	\$0.00	\$0.00														
3.14	Specialty Equipment and Appliances			506178	\$0.00	\$0.00														
3.15	Furniture			506173	\$0.00	\$0.00														
3.16	Packing and Moving			502901	\$0.00	\$0.00														
3.17	Utilities (Hydro)			505348	\$1,384,610.00	\$1,409,000.00														
3.18	Utilities (Enbridge)			503502	\$0.00	\$0.00														
3.19	Reserved A			503503	\$0.00	\$0.00														
3.20	Reserved B			503504	\$0.00	\$0.00														
3.21	Reserved C			503505	\$0.00	\$0.00														
3.22	Reserved D			503506	\$0.00	\$0.00														
3.24	Development Subtotal				\$4,446,400.00	\$4,524,700.00														
3.25	Design & Development Escalation	(2029)			\$ 1,105,800.00	\$1,125,300.00														
3.26	Development Subtotal				\$ 5,552,200.00	\$5,650,000.00														
3.27	Development Contingency @	(40%)	of lines 3.01-3.23 & 3.25	503550	\$2,220,900.00	\$2,260,000.00														
3.28	Development Total				\$ 7,773,100.00	\$7,910,000.00														
4.00 PROJECT DELIVERY					Subtotal	HST Included														
4.01	Project Delivery Subtotal	(5%)	of lines 1.09+2.03+3.28	502672	\$3,181,400.00	\$3,237,400.00														
4.02	Project Delivery Total				\$3,181,400.00	\$3,237,400.00														
5.00 PROPERTY					Subtotal	HST Included														
5.01	Land Purchase / Leases / Easements & Legal / Appraisal				\$0.00	\$0.00														
5.02	Property Total				\$0.00	\$0.00														
6.00 PROJECT BUDGET					Subtotal	HST Included														
6.01					\$ 66,807,800.00	\$67,984,000.00														
<p>Note: The intent of a Class 'D' estimate is to provide "order of magnitude" pricing of the final project cost and to provide an indication of cost for decision making and allow for ranking of all the options being considered. This estimate is based upon client program as submitted. A Class 'D' estimate is based upon a statement of requirements, and an outline of potential solutions, this estimate is strictly an indication (rough order of magnitude) of the final project cost, and should be sufficient to provide an indication of cost and allow for ranking all the options being considered. A Class 'D' Cost estimate has a financial risk of up to +/- 50%.</p>				<table border="1"> <thead> <tr> <th>PROJECT BUDGET ESTIMATE</th> <th>Before Contingency</th> <th>Contingency</th> </tr> </thead> <tbody> <tr> <td>Hard Costs (Constr., Consult., Devpt.)</td> <td>\$46,247,300.00</td> <td>\$18,499,300.00</td> </tr> <tr> <td>Soft Costs (Prj. Delivery, Property)</td> <td>\$3,237,400.00</td> <td>***NO CONTINGENCY calculated on construction cost which inc. contingency</td> </tr> <tr> <td>Total Cost including Contingency</td> <td colspan="2">\$67,984,000.00</td> </tr> <tr> <td>Contingency</td> <td colspan="2">40%</td> </tr> </tbody> </table>		PROJECT BUDGET ESTIMATE	Before Contingency	Contingency	Hard Costs (Constr., Consult., Devpt.)	\$46,247,300.00	\$18,499,300.00	Soft Costs (Prj. Delivery, Property)	\$3,237,400.00	***NO CONTINGENCY calculated on construction cost which inc. contingency	Total Cost including Contingency	\$67,984,000.00		Contingency	40%	
PROJECT BUDGET ESTIMATE	Before Contingency	Contingency																		
Hard Costs (Constr., Consult., Devpt.)	\$46,247,300.00	\$18,499,300.00																		
Soft Costs (Prj. Delivery, Property)	\$3,237,400.00	***NO CONTINGENCY calculated on construction cost which inc. contingency																		
Total Cost including Contingency	\$67,984,000.00																			
Contingency	40%																			
<p>This Class 'D' estimate is based on known market conditions at the date of issuance. The estimate is limited to the items shown and does not include for environmental assessments or any other subsurface conditions particular to a specific site. The estimate does not account for designated substances and hazardous materials remediation and reports associated with the modifications to existing structures. Upon determination of a site specific location and further development of a Project Program of Requirements (Project Brief), a more detailed estimate must be developed prior to the establishment of the Preliminary Project Budget.</p>																				

Appendix 2 – Breakdown of Construction Cost Estimate – 70 Clarence

Description	Area (ft ²)	Cost (\$)	Note
Public / Circulation	3,109	\$1,336,705	Average Altus Secondary School Rate \$380-\$480 per ft ² .
Atrium	2,702	\$1,850,693	Average Altus Museum / Gallery rate \$615-\$755 per ft ² .
Gallery (base building)	34,401	\$9,460,401	Average Altus commercial (B under 5st) base building rate \$240-310 per ft ² .
Gallery - Fitup		-	Not included.
Community Art Hub (base building)	24,649	\$6,778,573	Average Altus commercial (B under 5st) base building rate \$240-310 per ft ² .
Community Art Hub - Fitup		-	Not included.
Residential	15,597	\$4,796,078	Average Altus midrise Residential (up to 12 Storeys) \$270-345 per ft ² .
Unaccounted / Gross-up	8,069	\$3,469,510	Average Altus Secondary School Rate \$380-\$480 per ft ² .
Total	88,527	\$27,692,200	

Appendix 3: Capital Cost Estimate – 70 Clarence Parking

Project Budget Estimate		- CLASS 'D'		Ottawa Infrastructure Services Design & Construction, Buildings														
Date (dd-mmm-yyyy):	08/Jan/2026			HST: 1.76%														
Project No:	70 Clarence			ALL FIGURES ARE ROUNDED														
Project Name:	70 Clarence																	
Project Address:																		
Project Description:																		
Project Manager:																		
1.00 CONSTRUCTION		Cost Element	Subtotal	HST Included														
1.01	Construction Items	Units \$ / Unit																
.1	Construction Cost	1.0 \$ 17,537,101.00	\$17,537,200.00	\$17,845,900.00														
.2		1.0	\$0.00	\$0.00														
.3		1.0	\$0.00	\$0.00														
.4		1.0	\$0.00	\$0.00														
.5		1.0	\$0.00	\$0.00														
.6		1.0	\$0.00	\$0.00														
.7		1.0	\$0.00	\$0.00														
1.02	Construction budget in year (2025)		\$17,537,200.00	\$17,845,900.00														
1.03	Escalation to cost in year (2029) (see Escalation tab)		\$ 2,201,100.00	\$2,239,900.00														
1.04	Construction Subtotal		\$ 19,738,300.00	\$20,085,700.00														
1.07	Incentive (ID) (0%) of line 1.04		\$0.00	\$0.00														
1.08	Construction Contingency @ (40%) of line 1.04		\$7,895,400.00	\$8,034,400.00														
1.09	Construction Total		\$27,633,700.00	\$28,120,100.00														
2.00 PRIME CONSULTANT		Subtotal	HST Included															
2.01	PRIME CONSULTANT BASE PRICE (20%) of line 1.09		\$5,526,800.00	\$5,624,100.00														
2.02	Prime Consultant Design (50%) of line 2.01		\$2,763,400.00	\$2,812,100.00														
2.03	Design Contingency @ (40%) of line 2.02		\$1,105,400.00	\$1,124,900.00														
2.04	Sub Total Design	502668	\$3,868,800.00	\$3,937,000.00														
2.05	Prime Consultant Contract Admin (50%) of line 2.01		\$2,763,400.00	\$2,812,100.00														
2.06	Contract Admin Contingency @ (40%) of line 2.05		\$1,105,400.00	\$1,124,900.00														
2.07	Sub Total Contract Admin	502681	\$3,868,800.00	\$3,937,000.00														
2.08	Prime Consultant Total		\$7,737,600.00	\$7,874,000.00														
3.00 DEVELOPMENT		Subtotal	HST Included															
3.01	Feasibility, Analysis and Assoc. Fees (5%) of line 1.09	502330	\$1,406,100.00	\$1,430,900.00														
3.02	Special & Client Assigned Consultants	502331	\$0.00	\$0.00														
3.03	Testing and Inspection	502671	\$0.00	\$0.00														
3.04	Commissioning Services	502671	\$0.00	\$0.00														
3.05	Site Plan Application Fee	502912	\$0.00	\$0.00														
3.06	Building Permit Fees (includes HST)	502665	\$251,700.00	\$256,200.00														
3.07	Application fees (EA, MOE, LEED and other special permits)	502912	\$0.00	\$0.00														
3.08	Printing, courier, supplies and materials	502396	\$0.00	\$0.00														
3.09	Art in Public Spaces (1.0%) of line 1.09	502927	\$281,300.00	\$286,300.00														
3.10	Signage	505772	\$0.00	\$0.00														
3.11	Security System (ISMS)	502379	\$0.00	\$0.00														
3.12	IT / Telecom infrastructure and equipment	502131	\$0.00	\$0.00														
3.14	Specialty Equipment and Appliances	506178	\$0.00	\$0.00														
3.15	Furniture	506173	\$0.00	\$0.00														
3.16	Packing and Moving	502901	\$0.00	\$0.00														
3.17	Utilities (Hydro)	505348	\$876,860.00	\$892,300.00														
3.18	Utilities (Enbridge)	503502	\$0.00	\$0.00														
3.19	Reserved A	503503	\$0.00	\$0.00														
3.20	Reserved B	503504	\$0.00	\$0.00														
3.21	Reserved C	503505	\$0.00	\$0.00														
3.22	Reserved D	503506	\$0.00	\$0.00														
3.24	Development Subtotal		\$2,816,000.00	\$2,865,600.00														
3.25	Design & Development Escalation (2029)		\$ 700,300.00	\$712,700.00														
3.26	Development Subtotal		\$ 3,516,300.00	\$3,578,200.00														
3.27	Development Contingency @ (40%) of lines 3.01-3.23 & 3.25	503550	\$1,406,600.00	\$1,431,400.00														
3.28	Development Total		\$ 4,922,900.00	\$5,009,600.00														
4.00 PROJECT DELIVERY		Subtotal	HST Included															
4.01	Project Delivery Subtotal (5%) of lines 1.09+2.03+3.26	502672	\$2,014,800.00	\$2,050,300.00														
4.02	Project Delivery Total		\$2,014,800.00	\$2,050,300.00														
5.00 PROPERTY		Subtotal	HST Included															
5.01	Land Purchase / Leases / Easements & Legal / Appraisal		\$0.00	\$0.00														
5.02	Property Total		\$0.00	\$0.00														
6.00 PROJECT BUDGET		Subtotal	HST Included															
6.01			\$ 42,309,000.00	\$43,054,000.00														
<p>Note: The intent of a Class 'D' estimate is to provide "order of magnitude" pricing of the final project cost and to provide an indication of cost for decision making and allow for ranking of all the options being considered. This estimate is based upon client program as submitted. A Class 'D' estimate is based upon a statement of requirements, and an outline of potential solutions, this estimate is strictly an indication (rough order of magnitude) of the final project cost, and should be sufficient to provide an indication of cost and allow for ranking all the options being considered. A Class 'D' Cost estimate has a financial risk of up to +/- 50%.</p>		<p>PROJECT BUDGET ESTIMATE</p> <table border="1"> <tr> <th></th> <th>Before Contingency</th> <th>Contingency</th> </tr> <tr> <td>Hard Costs (Constr., Consult., Devpt.)</td> <td>\$29,288,100.00</td> <td>\$11,715,600.00</td> </tr> <tr> <td>Soft Costs (Prj. Delivery, Property)</td> <td>\$2,050,300.00</td> <td>**NO CONTINGENCY calculated on construction cost which inc. contingency</td> </tr> <tr> <td>Total Cost including Contingency</td> <td colspan="2">\$43,054,000.00</td> </tr> <tr> <td>Contingency</td> <td colspan="2">40%</td> </tr> </table>			Before Contingency	Contingency	Hard Costs (Constr., Consult., Devpt.)	\$29,288,100.00	\$11,715,600.00	Soft Costs (Prj. Delivery, Property)	\$2,050,300.00	**NO CONTINGENCY calculated on construction cost which inc. contingency	Total Cost including Contingency	\$43,054,000.00		Contingency	40%	
	Before Contingency	Contingency																
Hard Costs (Constr., Consult., Devpt.)	\$29,288,100.00	\$11,715,600.00																
Soft Costs (Prj. Delivery, Property)	\$2,050,300.00	**NO CONTINGENCY calculated on construction cost which inc. contingency																
Total Cost including Contingency	\$43,054,000.00																	
Contingency	40%																	
<p>This Class 'D' estimate is based on known market conditions at the date of issuance. The estimate is limited to the items shown and does not include for environmental assessments or any other subsurface conditions particular to a specific site. The estimate does not account for designated substances and hazardous materials remediation and reports associated with the modifications to existing structures. Upon determination of a site specific location and further development of a Project Program of Requirements (Project Brief), a more detailed estimate must be developed prior to the establishment of the Preliminary Project Budget.</p>																		

Project Budget Estimate - CLASS 'A'							
Date:		December 3, 2025		Infrastructure Services Department Design & Construction, Buildings & Parks			
Project No:		CF001902					
Project Name:		ByWard Garage-Building Demo					
Project Address:		70 Clarence Street					
Project Description:		ByWard Garage-Building Demo					
Project Manager:		Brian Munro		HST: 1.76%			
ALL FIGURES ARE ROUNDED							
1.00 CONSTRUCTION				Cost Elem	Total Before HST	HST Included	
1.01	Construction Items	Units	\$ / Unit				
.1	Concentric Class A	1.0	\$ 5,481,000.00		\$ 5,481,000.00	\$ 5,577,466.00	
.2		1.0	\$ -		\$ -	\$ -	
.3		1.0	\$ -		\$ -	\$ -	
.4		1.0	\$ -		\$ -	\$ -	
.5		1.0	\$ -		\$ -	\$ -	
.6		1.0	\$ -		\$ -	\$ -	
.7		1.0	\$ -		\$ -	\$ -	
.8		1.0	\$ -		\$ -	\$ -	
1.02	Sub Total: Construction budget in year	(2025)			\$ 5,481,000.00	\$ 5,577,466.00	
1.03	Escalation to cost in year	(2028)	(see Escalation tab)		\$ 508,237.00	\$ 517,182.00	
1.04	Construction Subtotal				\$ 5,989,237.00	\$ 6,094,648.00	
1.07	Incentive (ID)	(0%)	of line 1.04		\$ 509.00	\$ 518.00	
1.08	Construction Contingency @	(10%)	of line 1.04		\$ 598,924.00	\$ 609,466.00	
1.09	Construction Total			503501	\$ 6,588,161.00	\$ 6,704,114.00	
2.00 PRIME CONSULTANT				Cost Elem	Subtotal	HST Included	
2.01	PRIME CONSULTANT BASE PRICE	(3%)	of line 1.09		\$ 164,705.00	\$ 167,604.00	
2.02	Prime Consultant Design	(85%)	of line 2.01		\$ 140,000.00	\$ 142,464.00	
2.03	Design Contingency @	(10%)	of line 2.02		\$ 14,000.00	\$ 14,247.00	
2.04	Sub Total Design			502668	\$ 154,000.00	\$ 156,711.00	
2.05	Prime Consultant Contract Admin	(15%)	of line 2.01		\$ 24,706.00	\$ 25,141.00	
2.06	Contract Admin Contingency @	(10%)	of line 2.05		\$ 2,471.00	\$ 2,515.00	
2.07	Sub Total Construction Management			502681	\$ 27,177.00	\$ 27,656.00	
2.08	Prime Consultant Total				\$ 181,177.00	\$ 184,367.00	
3.00 DEVELOPMENT				Cost Elem	Subtotal	HST Included	
3.01	Feasibility, Analysis and Assoc. Fees	()	of line 1.09	502330	\$ -	\$ -	
3.02	Special & Client Assigned Consultants			502331	\$ -	\$ -	
3.03	Testing and Inspection			502671	\$ -	\$ -	
3.04	Commissioning Services			502671	\$ -	\$ -	
3.05	Site Plan Application Fee			502912	\$ -	\$ -	
3.06	Building Permit Fees (Always include 1.76% hst)			502665	\$ -	\$ -	
3.07	Application fees (EA, MOE, LEED and other special permits)			502912	\$ -	\$ -	
3.08	Printing, courier, supplies and materials			502396	\$ -	\$ -	
3.09	Art in Public Spaces	(0.0%)	of line 1.09	502927	\$ -	\$ -	
3.10	Signage			505772	\$ -	\$ -	
3.11	Security System (ISMS)			502379	\$ -	\$ -	
3.12	IT / Telecom infrastructure and equipment			502131	\$ -	\$ -	
3.13	Cabling			506175	\$ -	\$ -	
3.14	Specialty Equipment and Appliances			506178	\$ -	\$ -	
3.15	Furniture			506173	\$ -	\$ -	
3.16	Packing and Moving			502901	\$ -	\$ -	
3.17	Utilities (Hydro)			505348	\$ -	\$ -	
3.18	Utilities (Enbridge)			503502	\$ -	\$ -	
3.19	Reserved B			503503	\$ -	\$ -	
3.20	Reserved C			503504	\$ -	\$ -	
3.21	Reserved D			503505	\$ -	\$ -	
3.22	Reserved E			503506	\$ -	\$ -	
2.23	Legal Fees (if applicable)			502320	\$ -	\$ -	
3.24	Development Subtotal				\$ -	\$ -	
3.25	Design & Development Escalation	(2028)			\$ 2,291.00	\$ 2,332.00	
3.26	Development Subtotal				\$ 2,291.00	\$ 2,332.00	
3.27	Development Contingency @	(0%)	of lines 3.01-3.23 & 3.25	503550	\$ -	\$ -	
3.28	Development Total				\$ 2,291.00	\$ 2,332.00	
4.00 PROJECT DELIVERY				Cost Elem	Subtotal	HST Included	
4.01	Project Delivery Subtotal	(5%)	of lines 1.09+2.08+3.28	502672	\$ 338,582.00	\$ 344,542.00	
4.02	Project Delivery Total				\$ 338,582.00	\$ 344,542.00	
5.00 PROPERTY				Cost Elem	Subtotal	HST Included	
5.01	Land Purchase / Leases / Easements & Legal / Appraisal				\$ -	\$ -	
5.02	Property Total				\$ -	\$ -	
6.00 PROJECT BUDGET				Cost Elem	Subtotal	HST Included	
6.01					\$ 7,110,211.00	\$ 7,235,355.00	
<p>Note: The intent of a Class 'D' estimate is to provide "order of magnitude" pricing of the final project cost and to provide an indication of cost for decision making and allow for ranking of all the options being considered. This estimate is based upon client program as submitted. A Class 'D' estimate is based upon a statement of requirements, and an outline of potential solutions, this estimate is strictly an indication (rough order of magnitude) of the final project cost, and should be sufficient to provide an indication of cost and allow for ranking all the options being considered. A Class 'D' Cost estimate has a financial risk of up to +/- 50%.</p> <p>This Class 'D' estimate is based on known market conditions at the date of issuance. The estimate is limited to the items shown and does not include for environmental assessments or any other subsurface conditions particular to a specific site. The estimate does not account for designated substances and hazardous materials remediation and reports associated with the modifications to existing structures. Upon determination of a site specific location and further development of a Project Program of Requirements (Project Brief), a more detailed estimate must be developed prior to the establishment of the Preliminary Project Budget.</p>				PROJECT BUDGET ESTIMATE		Before Contingency	Contingency
				Hard Costs (Constr., Consult., Devpt.)		\$ 6,264,585.00	\$ 626,228.00
				Soft Costs (Prj. Delivery, Property)		\$ 344,542.00	**NO CONTINGENCY calculated on construction cost which inc. contingency
				Total Cost including Contingency		\$ 7,235,355.00	
				Contingency		10%	

Appendix 3 – Breakdown of Construction Cost Estimate – 70 Clarence Parking

Description	Area (ft ²)	Cost (\$)	Note
Parking – Level 1	35,790	\$8,768,551	Average Altus Underground Parking Rate \$200-\$290 per ft ² .
Parking – Level 2	35,790	\$8,768,551	Average Altus Underground Parking Rate \$200-\$290 per ft ² .
Total	71,580	\$17,537,101	

Appendix 4: Capital Cost Estimate – York Street Plaza

Project Budget Estimate		- CLASS 'D'		Ottawa Infrastructure Services Design & Construction, Buildings	
Date (dd-mmm-yyyy):	22/Jul/2025			HST: 1.76%	
Project No:				ALL FIGURES ARE ROUNDED	
Project Name:	York Street				
Project Address:					
Project Description:					
Project Manager:					
1.00 CONSTRUCTION		Cost Element	Subtotal	HST Included	
1.01	Construction Items	Units \$ / Unit			
.1	Sussex to Byward Market Square	1.0 \$ 10,141,904.08	\$10,142,000.00		\$10,320,500.00
.2	Byward Market Square to Williams	1.0 \$ 3,158,982.98	\$3,159,000.00		\$3,214,600.00
.3		1.0	\$0.00		\$0.00
.4		1.0	\$0.00		\$0.00
.5		1.0	\$0.00		\$0.00
.6		1.0	\$0.00		\$0.00
.7		1.0	\$0.00		\$0.00
1.02	Construction budget in year	(2025)	\$13,301,000.00		\$13,535,100.00
1.03	Escalation to cost in year	(2029) (see Escalation tab)	\$ 1,096,500.00		\$1,115,800.00
1.04	Construction Subtotal		\$ 14,397,500.00		\$14,650,900.00
1.07	Incentive (ID)	(0%) of line 1.04	\$0.00		\$0.00
1.08	Construction Contingency @	(40%) of line 1.04	\$5,759,000.00		\$5,860,400.00
1.09	Construction Total		\$20,156,500.00		\$20,511,300.00
			503501		
2.00 PRIME CONSULTANT			Subtotal	HST Included	
2.01	PRIME CONSULTANT BASE PRICE	(15%) of line 1.09	\$3,023,500.00		\$3,076,800.00
2.02	Prime Consultant Design	(100%) of line 2.01	\$3,023,500.00		\$3,076,800.00
2.03	Design Contingency @	(40%) of line 2.02	\$1,209,400.00		\$1,230,700.00
2.04	Sub Total Design		\$4,232,900.00		\$4,307,500.00
			502668		
2.05	Prime Consultant Contract Admin	(0%) of line 2.01	\$0.00		\$0.00
2.06	Contract Admin Contingency @	(40%) of line 2.05	\$0.00		\$0.00
2.07	Sub Total Contract Admin		\$0.00		\$0.00
			502681		
2.08	Prime Consultant Total		\$4,232,900.00		\$4,307,500.00
3.00 DEVELOPMENT			Subtotal	HST Included	
3.01	Feasibility, Analysis and Assoc. Fees	(5%) of line 1.09	\$1,025,600.00		\$1,043,700.00
3.02	Special & Client Assigned Consultants		\$0.00		\$0.00
3.03	Testing and Inspection		\$0.00		\$0.00
3.04	Commissioning Services		\$0.00		\$0.00
3.05	Site Plan Application Fee		\$0.00		\$0.00
3.06	Building Permit Fees (includes HST)		\$100.00		\$200.00
3.07	Application fees (EA, MOE, LEED and other special permits)		\$0.00		\$0.00
3.08	Printing, courier, supplies and materials		\$0.00		\$0.00
3.09	Art in Public Spaces	(1.0%) of line 1.09	\$205,200.00		\$208,900.00
3.10	Signage		\$0.00		\$0.00
3.11	Security System (ISMS)		\$0.00		\$0.00
3.12	IT / Telecom infrastructure and equipment		\$0.00		\$0.00
3.14	Specialty Equipment and Appliances		\$0.00		\$0.00
3.15	Furniture		\$0.00		\$0.00
3.16	Packing and Moving		\$0.00		\$0.00
3.17	Utilities (Hydro)		\$665,050.00		\$676,800.00
3.18	Utilities (Enbridge)		\$0.00		\$0.00
3.19	City Internal Costs		\$931,070.00		\$947,500.00
3.20	Miscellaneous		\$719,875.00		\$732,600.00
3.21	Reserved C		\$0.00		\$0.00
3.22	Reserved D		\$0.00		\$0.00
3.24	Development Subtotal		\$3,546,900.00		\$3,609,400.00
3.25	Design & Development Escalation	(2029)	\$ 292,400.00		\$297,600.00
3.26	Development Subtotal		\$ 3,839,300.00		\$3,906,900.00
3.27	Development Contingency @	(40%) of lines 3.01-3.23 & 3.25	\$1,535,800.00		\$1,562,900.00
3.28	Development Total		\$ 5,375,100.00		\$5,469,800.00
			503550		
4.00 PROJECT DELIVERY			Subtotal	HST Included	
4.01	Project Delivery Subtotal	(10%) of lines 1.09+2.03+3.21	\$2,976,500.00		\$3,028,900.00
4.02	Project Delivery Total		\$2,976,500.00		\$3,028,900.00
			502672		
5.00 PROPERTY			Subtotal	HST Included	
5.01	Land Purchase / Leases / Easements & Legal / Appraisal		\$0.00		\$0.00
5.02	Property Total		\$0.00		\$0.00
6.00 PROJECT BUDGET			Subtotal	HST Included	
6.01			\$ 32,741,000.00		\$33,317,500.00
<p>Note: The intent of a Class 'D' estimate is to provide "order of magnitude" pricing of the final project cost and to provide an indication of cost for decision making and allow for ranking of all the options being considered. This estimate is based upon client program as submitted. A Class 'D' estimate is based upon a statement of requirements, and an outline of potential solutions, this estimate is strictly an indication (rough order of magnitude) of the final project cost, and should be sufficient to provide an indication of cost and allow for ranking all the options being considered. A Class 'D' Cost estimate has a financial risk of up to +/- 50%.</p>		<p>PROJECT BUDGET ESTIMATE</p> <p>Hard Costs (Constr., Consult., Devpt.) \$21,634,600.00</p> <p>Soft Costs (Prj. Delivery, Property) \$3,028,900.00</p> <p>Total Cost including Contingency \$33,317,500.00</p> <p>Contingency 40%</p>		<p>Before Contingency \$21,634,600.00</p> <p>Contingency \$8,654,000.00</p> <p>**NO CONTINGENCY calculated on construction cost which inc. contingency</p>	
<p>This Class 'D' estimate is based on known market conditions at the date of issuance. The estimate is limited to the items shown and does not include for environmental assessments or any other subsurface conditions particular to a specific site. The estimate does not account for designated substances and hazardous materials remediation and reports associated with the modifications to existing structures. Upon determination of a site specific location and further development of a Project Program of Requirements (Project Brief), a more detailed estimate must be developed prior to the establishment of the Preliminary Project Budget.</p>					

Appendix 4 – Breakdown of Construction Cost Estimate – York Street Plaza

Construction Cost Estimate: Sussex to ByWard Market Square ⁶

Item Description	Unit	Qty	Rate	Total
EXISTING CONDITIONS / REMOVALS				
Removal and disposal of all existing fixtures & fittings, including waste receptacles, bicycle racks, streets signs, etc.	LS	1	\$15,000	\$15,000
Removal of sidewalk - Any type (including curb)	m2	2023	\$40	\$80,920
Removal of asphalt pavement - Full depth	m2	4507	\$50	\$225,350
Removal of Planter	m2	0	\$40	\$0
Removal of Catch basin	ea.	14	\$2,000	\$28,000
Removal of Fire Hydrant	ea.	5	\$2,000	\$10,000
EARTHWORKS				
Earth excavation - Grading	m3	4660	\$30	\$139,800
SERVICES				
Stormwater Installation, including:				
Adjust or Rebuilding Catch basins, any size, any type including twin	ea.	14	\$750	\$10,500
Relocated catch basin including lead	ea.	14	\$8,000	\$112,000
Water				
Watermain replacement (due to age)	m	175	\$2,000	\$350,000
Adjust or Rebuilding Valve Boxes, any size, any type	ea.	20	\$500	\$10,000
Relocated fire hydrant including lead and valve	ea.	5	\$20,000	\$100,000
Electrical Installation, including:				
Light poles and fittings	ea.	13	\$32,000	\$416,000
Traffic lights	LS	1	\$312,500	\$312,500
Utilities Installation, including:				
Bell plant relocation	m	0	\$2,500	\$0

⁶ Per the Parsons ByWard Market Public Realm Vision Preliminary Cost Estimate

Gas plant relocation	m	90	\$5,000	\$450,000
Adjust or Rebuilding Maintenance Holes and Valve Chambers, any size, any type	ea.	20	\$750	\$15,000
Adjust or Rebuilding Maintenance Holes by Others (Hydro, Bell)	ea.	12	\$2,000	\$24,000
In ground power/water access for vendors	ea.	0	\$20,000	\$0
ROADWAY PAVING & CURBS				
Granular 'A'	t	0	\$40	\$0
Granular 'B' Type II	t	0	\$40	\$0
Performance Graded Superpave 12.5mm	t	0	\$300	\$0
Performance Graded Superpave 19mm	t	0	\$300	\$0
Unit-paved roadway paving, including unit pavers, 200mm thick concrete base, polymeric joint sand, bedding sand, 150mm granular 'A' base, and 400mm granular 'B' sub-base	m2	3164	\$350.00	\$1,107,400
Concrete Barrier Curb	m	0	\$150	\$0
Concrete Mountable Curb w/ Gutter	m	42	\$150	\$6,300
Granite Curb	m	397	\$500	\$198,500
TWSI	m2	29	\$1,000	\$29,000
Pavement Markings	LS	1	\$2,500	\$2,500
STREETSCAPING				
Unit-paved sidewalk, including unit pavers, 150mm thick concrete base, polymeric joint sand, bedding sand, and 300mm granular 'A'	m2	4411	\$300	\$1,323,300
Concrete sidewalk, including 150mm concrete paving, wire mesh, and 300mm granular 'A' base	m2	0	\$110	\$0
Supply and install of granite planter curbs	m	0	\$450	\$0
Supply and install of granite seat walls, including foundation.	m	0	\$1,500	\$0
Supply and install of soil cells, including cells, granular base, geotextiles, geogrids, root barriers,	m2	577	\$800	\$461,600

subdrains, and watering/aeration pipes.

LANDSCAPING				
Supply and install of 80mm caliper tree	ea	0	\$1,000	\$0
Supply and install of 120mm caliper tree	ea	43	\$1,500	\$64,500
Supply and install shrub / perennial planting	m2	0	\$200	\$0
Supply and install of planting soil	m3	860	\$70	\$60,200
Supply and install of sod	m2	0	\$10	\$0
SITE FURNISHING				
Supply and install tree grate, including tree grate frame and concrete support	ea	43	\$3,500	\$150,500
Supply and install waste receptacles, including concrete base.	ea	6	\$3,000	\$18,000
Supply and install of bicycle racks, including concrete base	ea	33	\$800	\$26,400
Supply and install of benches, including concrete base	ea	26	\$4,000	\$104,000
Supply and install of fixed bollards, including concrete base	ea	84	\$1,500	\$126,000
Supply and install of removeable bollards, including concrete base	ea	0	\$2,000	\$0
Supply and install of wood seat toppers on seat walls	m2	0	\$600	\$0
Supply and install of wayfinding signage	ea	2	\$10,000	\$20,000
Supply and install of moveable planters, including 50mm insulation, drainage layer, and geotextile.	ea	40	\$1,000	\$40,000
Supply and install of picnic tables	ea	0	\$3,000	\$0
Supply and install of drinking fountain, including water connection	ea	2	\$5,000	\$10,000
Provision for moveable patio chairs	ea	160	\$500	\$80,000
Provision for moveable patio tables	ea	40	\$1,500	\$60,000
Security bollards	ea	9	\$10,000	\$90,000
EXTERIOR IMPROVEMENTS				
Public art?	LS	0	\$100,000	\$0

Seasonal market stalls	ea.	20	\$10,000	\$200,000
Custom moveable Furniture Allowance	LS	1	\$200,000	\$200,000
GENERAL REQUIREMENTS				
Provision for main contractor's general requirements	LS	1	10%	\$653,747
Provision for Project Management fees (OH&P)	LS	1	5%	\$326,873
Subtotal				\$7,518,090
Escalation from 2020 Estimate			34.9%	\$2,623,813
Total Construction Costs				\$10,141,904

Construction Cost Estimate: Sussex to ByWard Market Square ⁷

Item Description	Unit	Qty	Rate	Total
EXISTING CONDITIONS / REMOVALS				
Removal and disposal of all existing fixtures & fittings, including waste receptacles, bicycle racks, streets signs, etc.	LS	1	\$15,000	\$15,000
Removal of sidewalk - Any type (including curb)	m2	527	\$40	\$21,080
Removal of asphalt pavement - Full depth	m2	567	\$50	\$28,350
Removal of Planter	m2	0	\$40	\$0
Removal of Catch basin	ea.	3	\$2,000	\$6,000
Removal of Fire Hydrant	ea.	0	\$2,000	\$0
EARTHWORKS				
Earth excavation - Grading	m3	706	\$30	\$21,180
SERVICES				
Stormwater Installation, including:				
Adjust or Rebuilding Catch basins, any size, any type including twin	ea.	3	\$750	\$2,250
Relocated catch basin including lead	ea.	3	\$8,000	\$24,000
Water				

⁷ Per the Parsons ByWard Market Public Realm Vision Preliminary Cost Estimate

Watermain replacement (due to age)	m	175	\$2,000	\$350,000
Adjust or Rebuilding Valve Boxes, any size, any type	ea.	0	\$500	\$0
Relocated fire hydrant including lead and valve	ea.	0	\$20,000	\$0
Electrical Installation, including:				
Light poles and fittings	ea.	4	\$45,000	\$180,000
Traffic lights	LS	1	\$62,500	\$62,500
Utilities Installation, including:				
Bell plant relocation	m	0	\$2,500	\$0
Gas plant relocation	m	40	\$5,000	\$200,000
Adjust or Rebuilding Maintenance Holes and Valve Chambers, any size, any type	ea.	2	\$750	\$1,500
Adjust or Rebuilding Maintenance Holes by Others (Hydro, Bell)	ea.	2	\$2,000	\$4,000
In ground power/water access for vendors	ea.	2	\$20,000	\$40,000
ROADWAY PAVING & CURBS				
Granular 'A'	t	0	\$40	\$0
Granular 'B' Type II	t	0	\$40	\$0
Performance Graded Superpave 12.5mm	t	0	\$300	\$0
Performance Graded Superpave 19mm	t	0	\$300	\$0
Unit-paved roadway paving, including unit pavers, 200mm thick concrete base, polymeric joint sand, bedding sand, 150mm granular 'A' base, and 400mm granular 'B' sub-base	m2	348	\$350.00	\$121,800
Concrete Barrier Curb	m	0	\$150	\$0
Concrete Mountable Curb w/ Gutter	m	0	\$150	\$0
Granite Curb	m	86	\$500	\$43,000
TWSI	m2	10	\$1,000	\$10,000
Pavement Markings	LS	1	\$1,000	\$1,000
STREETSCAPING				
Unit-paved sidewalk, including unit pavers, 150mm thick concrete base, polymeric joint sand, bedding sand, and 300mm granular 'A'	m2	1540	\$300	\$462,000

Concrete sidewalk, including 150mm concrete paving, wire mesh, and 300mm granular 'A' base	m2	0	\$110	\$0
Supply and install of granite planter curbs	m	0	\$450	\$0
Supply and install of granite seat walls, including foundation.	m	0	\$1,500	\$0
Supply and install of soil cells, including cells, granular base, geotextiles, geogrids, root barriers, subdrains, and watering/aeration pipes.	m2	0	\$800	\$0
LANDSCAPING				
Supply and install of 80mm caliper tree	ea	0	\$1,000	\$0
Supply and install of 120mm caliper tree	ea	0	\$1,500	\$0
Supply and install shrub / perennial planting	m2	0	\$200	\$0
Supply and install of planting soil	m3	0	\$70	\$0
Supply and install of sod	m2	0	\$10	\$0
SITE FURNISHING				
Supply and install tree grate, including tree grate frame and concrete support	ea	0	\$3,500	\$0
Supply and install waste receptacles, including concrete base.	ea	3	\$3,000	\$9,000
Supply and install of bicycle racks, including concrete base	ea	6	\$800	\$4,800
Supply and install of benches, including concrete base	ea	16	\$4,000	\$64,000
Supply and install of fixed bollards, including concrete base	ea	0	\$1,500	\$0
Supply and install of removeable bollards, including concrete base	ea	48	\$2,000	\$96,000
Supply and install of wood seat toppers on seat walls	m2	0	\$600	\$0
Supply and install of wayfinding signage	ea	1	\$10,000	\$10,000
Supply and install of moveable planters, including 50mm insulation, drainage layer, and geotextile.	ea	10	\$1,000	\$10,000

Supply and install of picnic tables	ea	0	\$3,000	\$0
Supply and install of drinking fountain, including water connection	ea	0	\$5,000	\$0
Provision for moveable patio chairs	ea	80	\$500	\$40,000
Provision for moveable patio tables	ea	20	\$1,500	\$30,000
EXTERIOR IMPROVEMENTS				
Seasonal market stalls	ea.	10	\$10,000	\$100,000
Custom Moveable Furniture Allowance	LS	1	\$100,000	\$100,000
GENERAL REQUIREMENTS				
Provision for main contractor's general requirements	LS	1	10%	\$203,628
Provision for Project Management fees (OH&P)	LS	1	5%	\$101,814
Subtotal				\$2,341,722
Escalation from 2020 Estimate			34.9%	\$817,260
Total Construction Costs				\$3,158,982



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