8. DESCHÂTELETS BUILDING (175 MAIN ST.)

**EDIFICE DESCHÂTELETS (175 RUE MAIN)** 

# **COMMITTEE RECOMMENDATIONS**

### That Council:

- 1. Delegate authority to the General Manager Recreation, Cultural and Facility Services to enter into non-binding confidential discussions / negotiations with The Regional Group and its partners regarding potential inclusion of a City of Ottawa community recreation component in the redevelopment plans for the Deschâtelets Building located at 175 Main Street; and
- 2. Approve that staff report back to City Council on the results of the discussions / negotiations with The Regional Group and its partners.

## **RECOMMANDATIONS DU RAPPORT**

#### Que le Conseil

- 1. Délègue au directeur général des Loisirs, de la Culture et des Installations le pouvoir d'engager des discussions/négociations confidentielles et non contraignantes avec The Regional Group et ses partenaires concernant l'ajout éventuel d'un volet consacré aux activités récréatives communautaires de la Ville d'Ottawa aux plans de réaménagement de l'édifice Deschâtelets, situé au 175, rue Main.
- 2. Approuve que le personnel fasse rapport au Conseil municipal sur les résultats des discussions/négociations avec The Regional Group et ses partenaires.

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# **DOCUMENTATION/DOCUMENTATION**

 General Managers report, Planning, Infrastructure & Economic Development, dated 12 October 2016 (ACS2017-RCF-GEN-0002)

Rapport du Directeur général, Services de la planification, de l'infrastructure et du développement économique daté le12 octobre 2016 (ACS2017-RCF-GEN-0002)

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Report to Rapport au:

Finance and Economic Development Committee

Comité des finances et du développement économique

2 May 2017 / 2 mai 2017

and Council et au Conseil 10 May 2017 / 10 mai 2017

Submitted on April 19, 2017 Soumis le 19 avril 2017

Submitted by Soumis par:

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Ward: CAPITAL (17) / CAPITALE (17) File Number: ACS2017-RCF-GEN-0002

SUBJECT: Deschâtelets Building (175 Main St.)

**OBJET:** Edifice Deschâtelets (175 rue Main)

### REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend Council:

- 1. Delegate authority to the General Manager Recreation, Cultural and Facility Services to enter into non-binding confidential discussions / negotiations with The Regional Group and its partners regarding potential inclusion of a City of Ottawa community recreation component in the redevelopment plans for the Deschâtelets Building located at 175 Main Street; and
- 2. That staff report back to City Council on the results of the discussions / negotiations with The Regional Group and its partners.

#### RECOMMANDATIONS DU RAPPORT

Que le Comité des finances et du développement économique recommande au Conseil

- 1. De déléguer au directeur général des Loisirs, de la Culture et des Installations le pouvoir d'engager des discussions/négociations confidentielles et non contraignantes avec The Regional Group et ses partenaires concernant l'ajout éventuel d'un volet consacré aux activités récréatives communautaires de la Ville d'Ottawa aux plans de réaménagement de l'édifice Deschâtelets, situé au 175, rue Main.
- 2. Que le personnel fasse rapport au Conseil municipal sur les résultats des discussions/négociations avec The Regional Group et ses partenaires.

### **BACKGROUND**

Built in 1885, the Deschâtelets Building, originally the Scholasticat St-Joseph, is located at 175 Main St. in Capital Ward on a 26-acre parcel of land that formerly belonged to the Missionary Oblates of Mary Immaculate. It is a large stone, four-storey, classically inspired building set back from Main Street. The exterior of the building and the interior chapel are protected under the *Ontario Heritage Act*.

On August 25, 2011, City Council received the <u>Old Ottawa East Community Design</u> <u>Plan</u> (ACS2011-ICS-PGM-0115), which included a conceptual plan for development of the land that would be acceptable to residents in the surrounding community.

In June 2014, <u>The Regional Group</u>, a commercial real estate company, bought the parcel of land and is currently developing the property as the Greystone Village community.

The draft plan of subdivision for Greystone Village was approved by what is now the Planning, Infrastructure and Economic Development Department on October 22, 2015. The new community will provide a variety of dwelling units, including single-family, townhomes, mid-rise condominiums and commercial space. It will also include extensive open space, a new park and green space along the Rideau River.

As this area is currently under construction, it is timely for the parties to investigate opportunities for the development of a potential community centre concurrent with the development of the site.

#### DISCUSSION

In 2016, The Regional Group approached staff from the Recreation, Cultural and Facility Services (RCFS) department with a proposal to redevelop the Deschâtelets Building for public use. The proposed redevelopment includes residential housing (including affordable housing), a new space for the Sandy Hill Community Health Centre, and space for a new community recreation centre.

The 21,000-square-foot community recreation centre has been conceived to include a gymnasium, fitness centre, and multi-use activity and meeting rooms.

The Regional Group has expressed an interest in entering into discussions with the City regarding possible ownership and/or operation of the community recreation centre. Staff notified The Regional Group of its responsibility to register with the Lobbyist Registry at the first meeting. Subsequent to the notification, The Regional Group registered as a lobbyist is November 2016. Partners have also been asked to register as required by the City's Accountability Framework.

Registration with the Lobbyist Registry means that any discussions related to the redevelopment of the Deschâtelets Building would normally be reported publicly. This is to provide residents the transparency needed to have confidence in the City's dealings with private partners. However, due to the sensitivity of the discussions, staff are recommending that confidential discussions and negotiations take place to explore an agreement framework. The confidential nature of these discussions is required to

maintain the proprietary interests of The Regional Group. Should these discussions result in a meaningful and positive outcome, staff would provide a fulsome report to Committee and Council, including financial implications, for consideration and approval at that time.

The Regional Group has produced draft schematic designs that integrate the City's base requirements for recreation facilities into their proposed plan. The next step would be to conduct preliminary discussions with The Regional Group and its partners with the goal of exploring whether an agreement framework acceptable to all parties can achieved.

Any capital funding being sought for the development of affordable housing would need to follow the City's usual Action Ottawa Request for Proposal (RFP) process which is conducted by Housing Services.

#### **RURAL IMPLICATIONS**

There are no rural implications related to this report.

## **CONSULTATION**

Consultations will occur in the future if the project is recommended to proceed.

# COMMENTS BY THE WARD COUNCILLOR(S)

With Old Ottawa East set to welcome 3000 new residents over the next 10 years, through developments by both the Regional Group and Domicile (amongst others), the community is in dire need of facilities that will support the recreation and programming needs of the community. Given the undersized nature of both the Old Town Hall and the Brantwood Park Fieldhouse, an alternative needs to be found. The Deschâtelets Building, situated in the heart of the community, represents a once-in-a-generation opportunity to showcase adaptive reuse of an historic building while providing a vibrant hub for both the local and extended community needs. This is an opportunity that cannot be missed as it will provide tangible benefits to all of the City's residents for decades to come.

#### **LEGAL IMPLICATIONS**

There are no legal impediments to the adoption of the recommendation in this report. As stated in the recommendation, the negotiations are to be non-binding and therefore the

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results of the negotiations, if an agreement is proposed, will need to come to Committee and Council for approval.

## **RISK MANAGEMENT IMPLICATIONS**

There is no significant risk associated with this report.

## **ASSET MANAGEMENT IMPLICATIONS**

There are currently no asset management implications associated with this report.

Asset management implications will be brought forward in future reports as required.

#### FINANCIAL IMPLICATIONS

There are no financial implications as a result of the this recommendation.

#### **ACCESSIBILITY IMPACTS**

Accessibility requirements will be taken into consideration during discussions.

#### **TERM OF COUNCIL PRIORITIES**

The report has direct impact on the City's Strategic Priority – Healthy and Caring Communities: Strategic Objective HC4 – Support Arts, Heritage and Culture.

## **DISPOSITION**

The Recreation, Cultural and Facility Services Department will implement the recommendations as outlined in the report.