


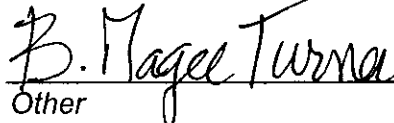
	<b>DATE:</b> August 21, 2006 <b>REPORT:</b> DS 06-56.1	C.A.P. 
	<b>TITLE: Uptown Waterloo Public Square Study-Final Report</b>	
<b>WARD:</b> Uptown	<b>PREPARED BY:</b> Barb Magee Turner. OALA	
<b>FILE:</b> LA 06-02	<b>DEPARTMENT:</b> Development Services	
<b>ATTACHMENTS:</b> Appendix One- Uptown Waterloo Public Square Study-Recommendation Report Appendix Two- Construction By-law	<b>CLEARANCE:</b> <b>Review Team:</b> August 31, 2006 <b>Council:</b> Sept. 25, 2006	

**RECOMMENDATIONS:**

1. That Council approve the Uptown Waterloo Public Square Study Final Report and the Recommendations contained within.
2. That Council approve the hiring of GSP Group to undertake the Phase 2-Design/Construction Phase of the project for a fee of \$ 113,939.
3. That Council fund the GSP Group from a combination of the remaining Capital Reserve Fund (CRF) of (\$54,819) and from the reduction in the Debenture (DBTUrb) funds.
4. That Council refer the following potential budget pressure to the 2007/08 budget process: that a budget pressure of \$10,000 in the 2007 Public Work Services Department (PWS) Operating Budget to manage the anticipated 2007 maintenance of the Square and that a further pressure of \$40,000 in 2008 to the PWS Operating Budget for a total of \$50,000 annually be noted. That PWS be directed to make recommendations on how these pressures will be addressed within the 2007/08 business planning and budget exercise.
5. That Council refer the following potential budget pressure to the 2007/08 budget process: that a pressure of \$20,000 in the 2007 Recreation & Leisure Department (R&L) Operating Budget for programming of the square in 2007, and a further pressure of \$30,000 in the R & L Operating Budget in 2008 for a total of \$50,000 annually for programming of the Square by R& L be noted. That R&L be directed to make recommendations on how these pressures will be addressed within the 2007/08 business planning and budget exercise.

**APPROVALS**

 _____ General Manager	20 Sept. 06 _____ Date	_____ Director	_____ Date
 _____ Finance	Sept 20/06 _____ Date	 _____ Other	Sept 20/06 _____ Date

6. That Council refer the following potential budget pressure to the 2007/08 budget process: that a pressure of \$30,000 in the 2007 R & L Operating Budget for the hiring of a full time Program coordinator within R& L to oversee the programming of the Square and that further pressure of an additional \$30,000 in the R& L Operating Budget in 2008 for a total of \$60,000 annually for this position be noted. That R& L be directed to make recommendations on how these pressures will be addressed within the 2007/08 business planning and budget exercise.
7. That staff be authorized to send written notification to WCI (First Gulf) of the City's intent to move forward to design and construct a public square at the parking lot location as per Section 9 of the Parking Agreement approved in 2005.
8. That Council approve a 2006 by-law authorizing the Debenture financing of up to a maximum of \$2,691,000 for the design and construction costs of the Waterloo Uptown Public Square project.
9. That Council direct staff to re-allocate the 66 spaces displaced by the Public Square through the Uptown Parking Strategy ( PWS 06-85) which will be completed in the summer of 2007.

### **EXECUTIVE SUMMARY:**

The Uptown Waterloo Public Square Study Recommendation Report builds on the Uptown Waterloo Public Square Discussion Paper (DS 06-44) presented to Council on July 10, 2006 which can be found on the City's website at [www.city.waterloo.on.ca/square](http://www.city.waterloo.on.ca/square). The purpose of this final report is to provide Council and the community with information regarding the options for the use of the land and set out the Staff/GSP Group recommendations regarding these options.



## Development Services Report

### Uptown Waterloo Public Square Study Final Report

DS-06-56.1

#### **BACKGROUND:**

Waterloo City Council initiated the Uptown Waterloo Public Square Study and Design Project on February 6, 2006 (RFP 06-01). The GSP Group was hired on March 27<sup>th</sup> (DS 06-27) to undertake Phase 1, and quickly began the process of engaging the public in dialogue. In April of 2006, 16 stakeholder sessions were held with various interest groups and citizens. On May 4<sup>th</sup> a public workshop was held at the Waterloo Memorial Recreation Complex and was attended by approximately 50 people. On June 13<sup>th</sup> a presentation was made to the BIA membership in Council Chambers and attended by 15 of the 360 members.

On June 22 the City of Waterloo hosted a public lecture with Cynthia Nikitin from Project for Public Spaces (PPS). She was very inspirational and challenged us to think about creating great public places. She presented examples showing the linkage between creating public open space and the economic vitality and the livability of a city. She recognized that a well designed space also needs to be maintained and programmed to really see its true benefits. She encouraged us to be bold and move forward in the creation of a new public square for our Uptown.

On June 24 and 25, 2006 two 3 hour on-site drop in sessions were held at the Waterloo Public Square parking lot that gave the public further opportunity to learn about the process and express opinions on the potential of the parking lot becoming a public Square.

The Uptown Waterloo Public Square discussion paper was presented to Council on July 10, 2006 (DS 06-44). There were a number of delegations expressing their opinions both in favour of a public square and against a public square at this public meeting.

Following the July 10<sup>th</sup> Council meeting the consultant and the staff implementation team evaluated all the information we had received to date, and are now in a position to make a formal recommendation as to the ultimate use of this land. This recommendation is outlined in the attached Recommendation Report (Appendix One). The recommended option is to use this land as a public square.

#### **ELEMENTS OF SUCCESS:**

The Elements of Success Citizen's Panel Report (DS-06-47) approved June 19, 2006 outlined and confirmed a number of initiatives in the Uptown including the creation of a public square. "As a committee we believe that Waterloo needs a prominent public square at its heart. This will serve to give the city a stronger community identity and will greatly improve the attractiveness of the core. However, it is important to recognize the role that accessible parking plays in the vitality of our commercial enterprises. The city needs to ensure that the creation of a square will not undermine the parking supply in the core."

It is important to note that PWS has initiated an Uptown Parking Strategy ( PWS 06-85) to conclude in 2007 that will address the opportunities and challenges of parking in the Uptown. This study was outlined to Council on July 10, 2006 when the public square discussion paper was presented to Council for information and presented to Council on September 18, 2006.

### **STRATEGIC PLAN**

The Public Square project aligns with the following 2005-2007 Strategic Plan items within Planning for Growth and Change:

- to reinforce the sense of community within our growing city through city design and the development of an economic strategy focusing on a vibrant Uptown Core;
- to confirm the Uptown Vision study;

### **FINANCIAL IMPLICATIONS:**

#### **1. Retaining the GSP Group:**

The GSP Group were retained to undertake the Uptown Waterloo Public Square Study and Conceptual Design through an RFP process outlined in Council approved staff report DS 06-01. They were hired to complete the Phase 1 of the project on March 27, 2006 for a total of \$25,181 outlined in staff report DS 06-27. Phase 1 costs were for the public input stage.

Council approved the hiring of GSP to undertake Phase 1 only. Council wanted the option to not be legally bound to a consulting contract for Phase 2 if the decision to move into the Phase 2 design/construction component of a public square was not made. Council instructed staff to bring forward the final recommendation on the public square, and then would consider the retaining of GSP for Phase 2, at the same time.

The Phase 2 of the project is the design development and construction of the Square. The revised consulting fee for Phase 2 is now \$113,939 (including disbursements). The original cost for GSP to undertake Phase 2 within their proposal was \$98,189. This fee increase is a result of additional requirements requested by the City to more fully develop the programming components in relationship to the design.

The 2006 approved capital budget is \$80,000 (CRF), for the Phase One consulting fees. The remaining funds for Phase 2 consulting (after funding the Phase 1 component) are \$54,819. The Phase 2 component is \$113,939. The 2006 CRF budget for consulting is short \$59,120.

The fees required for specialized design components (such as a water feature) that may form part of the final concept design are not carried within these Phase 2 costs. These costs will be presented to Council with the conceptual design and the accurate cost estimates for such features in January 2007 for Council's approval.

### **Budget Issue Strategy**

There is currently \$716,000(DBTUrb) in 2006 and \$1,975,000(DBTUrb) in 2007 for a total of \$2,691,000(DBTUrb) identified for the Public Square project in the budget. Council has instructed staff to work towards a \$2,000,000 expenditure cap. Staff recommend the budget shortfall for the consulting costs (of \$59,120) be funded from a reduction of the \$2,691,000 construction budget. It is important to note that this strategy does not change the overall budget request for construction contained within the Capital Budget.

It has been recommended by the Chief Financial Officer that the entire debenture budget be approved for purposes of potential debenture. There is no obligation to actually issue the debenture as a result of this approval. The debenture would fund the remaining design and construction costs, and also provide the additional funding for the duration of the project to cover any additional costs that Council may choose to require and/or approve throughout the design phase.

Budget	Funding	Phase 1	Phase 2	Balance
\$80,000	CRF	\$25,181	\$113,939	(\$59,120)
\$2,691,000	Debenture			\$2,691,000
				\$2,631,880

Note: The consultant's costs were higher than the budget allotted. As this expenditure is part of the final design it is appropriate that this shortfall will be paid from the debenture issue and will reduce the amount available for construction. If Council chooses to reduce or cap the construction costs at \$2M then the consulting fee will reduce that amount.

### **2. Maintenance:**

Maintenance of our green spaces is an ongoing concern. Throughout the public input sessions on the Public Square Study, we heard repeatedly the concern for lack of appropriate levels of both maintenance and programming within the parks and open spaces in the Uptown. If we create a public Square it will require additional maintenance operating dollars over and above what currently exists for the Uptown maintenance. PWS estimate that they will require \$10,000 in 2007 and then an additional \$40,000 in 2008 for a total of \$50,000 annually for maintenance of the square. The annual maintenance program would include activities such as snow clearance, shrub bed weeding and pruning, furniture maintenance and replacement, debris and graffiti removal, maintenance and payment for utilities, etc. These costs have been identified as a pressure within the PWS Operation Budget.

### **3. Programming of the Square:**

It is essential that funds be set aside annually to program the square on a monthly basis to ensure activity and excitement. On June 22, 2006 the City hosted a presentation by Cynthia Nitikin of Project for Public Spaces (PPS) on creating vibrant urban places. She spoke to the importance of programming



### **Future Program Planning:**

The City of Waterloo's Corporate Strategic Plan includes the initiative in the "Safe and Caring Community" to "Infrastructure improvements for Festivals in Uptown Waterloo". Staff will be attentive to this initiative as business planning and budget planning proceeds.

The Recreation and Leisure Services Department Draft Guiding Principles includes within the Mission Statement-"Our indoor and outdoor facilities provide a safe and attractive venue for a wide range of recreation and leisure pursuits while enhancing the beauty of our City." Expansion of the festival and special events and heritage programming within the Uptown and into the proposed public square is consistent with this Mission statement. The desired department outcomes in the Drafting Guiding Principles include "Community Capacity" building and "Community Identity". The role of volunteers and the positive response within our community to our Festival and Heritage Programs contribute to both these outcomes.

The "Community Development" model for the design and provision of recreation programs is premised on a collaborative approach. Programs that the City of Waterloo has developed in collaboration with volunteer based or non-profit organizations have proven to be more sustainable in the long term, than programs that are funded and provided outside of this type of collaborative partnership. An excellent example of this is the Waterloo Busker Carnival. Community engagement leads to community capacity and ultimately to community identity through the process and production of public programs. For the proposed Public Square, staff may act as facilitators to engage the interest and participation of a variety of community partners. However, this requires time and financial resources, to permit the City to demonstrate leadership and to permit the community to gather the resources required in the long term.

The R&L Services Department is conducting a comprehensive review of current services and programs, in preparation for a Master Planning process. One of the possible outcomes of the Services Review is the potential for re-distribution of staffing resources in response to service increases and decreases. However, in 2007, some Recreation and Leisure staff are assigned to Sesquicentennial Projects. Additional responsibilities related to program development in the proposed Public Square may impact the Sesquicentennial Projects. The Department's Master Plan will include a long term plan for Arts, Culture and Heritage programming. As the programming role for the proposed public square should be a responsibility of Recreation & Leisure Services, the detailed program design may be achieved in conjunction with recommendations in the 2007 Operating budget process and in the long term with the Department Master Planning Process.

### **Options for Public Square Programs:**

In keeping with the Community Development approach to program development, some of the existing cultural and heritage programs and events may be expanded to permit additional events within the Uptown and within the Square. There is also a potential for a significant number of new programs and events to be introduced specifically for the Square and on a regular monthly basis which will require the additional funding. Staff's ideas for new and expanded programs include music, street theatre, temporary art displays, children's interactive activities, films, ice sculptures, walking and cycling events linked to the parks and trails and a variety of other year round options. Many of these may be pursued as partnership opportunities with community organizations. (See Appendix B within the Recommendation Report for further event options)

One of the Operating Principles in Recreation and Leisure Services Draft Guiding Principles is the importance of "Partnerships-exploring opportunities to deliver services in partnership with others." One option to developing programs for the proposed Square is for the City of Waterloo to pursue

partnerships with community organizations and businesses to achieve these shared goals. In discussion with First Gulf on future funding partnerships, First Gulf has stated that they are prepared to discuss co-marketing and promotion opportunities within the Public Square to indicate a continued level of support toward the Uptown and the City of Waterloo.

In order to program the Square in a monthly fashion it is anticipated that the budget required is \$50,000.00 annually based on staff's current model for the provision of community programs. Since the Square will be under construction a good portion of 2007 it is anticipated that \$20,000 would be required in 2007 to program the Square from approximately Sept.-Dec. In 2008 the full \$50,000 would be required.

This annual funding option would reflect the community's expressed concern in the lack of appropriate levels of both maintenance and programming within the parks and opens spaces in Uptown. This option would allow monthly programming to occur and heighten the excitement around the Square. Council could also choose to program on a less regular basis which would lower the pressure on the operating budget but would limit the number of programmed events in a year.

Another option could be for the City to provide seed monies in the form of grants to community organizations for the development of new programming initiatives. The challenge to the community would be to make the new programs self sustaining. The limitation of this strategy is that based on the trends noted in the non-profit sector, with dwindling human resources and growing financial pressures, this option may be challenging for the community.

#### **4. Staff to Program the Square:**

The current schedule of events and programs is operated by one full time staff person managing community festivals and special events and one staff person managing heritage programs. Although some programs are operated strictly by part time staff, skilled and committed year round volunteers are an essential component of most of our programs. Staff time to recruit and manage volunteers adds to the challenge, as the trends in volunteerism are changing away from leadership roles, to short term commitments. If we support programming of the Square, additional staff will be required to ensure the smooth coordination of the events. Recreation & Leisure Services staff members anticipate that the addition of another program staff person at an annual cost of \$60,000 (includes salary and benefits) would be sufficient.

It is anticipated that this position would be required in the summer of 2007 so that the staff person would be able to prepare for the fall 2007 opening of the Square and the programming for the fall and winter months. Therefore in 2007 approximately \$30,000 would be required to be funded, and the full \$60,000 required in 2008 and then annually.

One alternative to hiring permanent staff to program the Square would be to engage the services of qualified staff on a limited contract for 2 years (2007&2008). Contract staff would be required to facilitate the development of partnerships with the community to initiate community based programming of the Square.

Another option could be the redistribution of current workplan items of current staff in Community Services in Recreation and Leisure Services. This will require decreases in services elsewhere, and may compromise the Sesquicentennial Projects in 2007 and 2008.

**LEGAL CONSIDERATIONS:**

The City of Waterloo and WCI (First Gulf) entered into a Parking Agreement June 13, 2005. This Agreement amongst other things defined the issues around the usage of the public square/parking lot area. Section 9 of the Agreement clearly defined the length of time that the City had to make a decision on the future use of this parking lot as 18 months. This means that by April 2007 the city must indicate to WCI whether it intends to build a public square or not at this site.

In accordance with that Agreement a letter will be forwarded to WCI (First Gulf) stating the City's intentions to move forward with the design and construction of a public square on the Public Square Lands as defined by the Agreement. This would put closure to this aspect of the Parking Agreement.

However, should the City choose not to proceed with the Public Square, the City must also give notice to WCI (First Gulf). If the City gives notice indicating the City is not proceeding with the Public Square the City is required to construct an improved parking lot according to the terms of Section 9 and the rest of the Parking Agreement. This parking lot would be constructed to the standard of the City North Parking Lands to the north of Waterloo Town Square within 6 months of public notice. This standard includes general improvements, parking spaces, lighting, configuration and specifications as noted in the north lot.

If the City does reconstruct the parking lot the City has an additional final opportunity to exercise its right to build a Public Square within the terms and length ( 50yrs.) of the Parking Agreement.

As well a construction by-law requires a recommendation and an approval by Council to authorize the Debenture funding of up to a maximum of \$2,691,999 for the design and construction of the Public Square. (See Appendix Two for the bylaw)

**FINANCIAL IMPLICATIONS:**

	#060013
<b><i>Project Description</i></b>	Waterloo Square-Urban Public Square
<b><i>Funding Source</i></b>	2006 Capital Reserve Fund ( CRF) \$80,000
	2006 Debenture (DBTUrb) \$716,000
	2007 Debenture (DBTUrb) \$1,975,000
	Total \$2,771,000
<b><i>Project expenditure to date</i></b>	\$25,181
<b><i>Expenditure Request</i></b>	\$113,939
<b><i>Projected Account Balance</i></b>	\$2,631,880

As well a construction by-law requires a recommendation and an approval by Council to authorize the Debenture funding of up to a maximum of \$2,691,000 for the design and construction of the Public Square. (See Appendix Two for the bylaw).

The following is a table of the total interest that would be incurred in carrying a debenture at 4.5% for ten years.

Principal	Total Interest	
	Monthly Payments	Annual Payments
2,000,000	482,510	533,872
2,691,000	649,217	718,324

### **RECOMMENDATIONS:**

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8. That Council approve a 2006 by-law authorizing the Debenture financing of up to a maximum of \$2,691,000 for the design and construction costs of the Waterloo Uptown Public Square project.
9. That Council direct staff to re-allocate the 66 spaces displaced by the Public Square through the Uptown Parking Strategy ( PWS 06-85) which will be completed in the summer of 2007.

Submitted by:



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Signature

Name: Barb Magee Turner. OALA,CSLA

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