

EX16.22



STAFF REPORT ACTION REQUIRED

Etobicoke Civic Centre Relocation

Date:	June 14, 2016
To:	Executive Committee
From:	Chief Corporate Officer and Chief Planner & Executive Director, City Planning
Wards:	Wards 1-7, 11-13, 17
Reference Number:	P:\2016\Internal Services\RE\Ec16026re (AFS # 17558)

SUMMARY

In 2007, City Council approved the urban design visions for City-owned lands at:

- 1) Bloor/Islington (Northwest corner of Bloor Street West and Islington Avenue)
- 2) Westwood Theatre Lands (Southeast corner of Bloor Street West and Kipling Avenue)
- 3) Current Etobicoke Civic Centre Complex (Southeast corner of Burnhamthorpe Road and The West Mall).

The design exercise was known as the West District Design Initiative ("WDDI"). The report concluded that the Bloor/Islington site and the Westwood Theatre Lands were both suitable for accommodating a new West District Civic Centre.

City staff have completed a Location Evaluation Framework to evaluate Bloor/Islington and the Westwood Theatre Lands as a potential relocation site for a new Etobicoke Civic Centre Complex. The analysis determined that the Westwood Theatre Lands are more suitable for new Civic offices when compared to the Bloor/Islington site, due to improved overall accessibility, lower cost projections and greater City building opportunities.

The purpose of this report is to seek City Council support for the potential relocation of the Etobicoke Civic Centre Complex to the Westwood Theatre Lands, subject to a business case to be submitted in 2017 for City Council consideration. It should be noted that no funding exists for this project in the 2016-2025 Approved Capital Plan. Accordingly, given the City's \$29 billion capital back log, this project would not proceed without a self-financing business case, given current resource constraints.

RECOMMENDATIONS

The Chief Corporate Officer and the Chief Planner & Executive Director, City Planning recommend that:

1. City Council direct City Planning and request Build Toronto, in consultation with Real Estate Services, to lead a site planning and massing exercise for the current Etobicoke Civic Centre Complex lands and to advance the current site planning and massing exercise established by Build Toronto for the Bloor/Islington lands, to an extent sufficient to inform the business case for each site, and report back to City Council in Q3 2017 with the results.
2. City Council request Build Toronto to lead a design competition for the Westwood Theatre Lands, limited to establishing a new Etobicoke Civic Centre Complex and developing potential recommendations to the existing Build Toronto concept plans, and direct City Planning and Real Estate Services to provide advice and support to Build Toronto, and report back to City Council in Q3 2017 with:
 - a. Results of the design competition; and
 - b. A draft building program for a new Etobicoke Civic Centre.
3. City Council direct the Chief Corporate Officer, in consultation with Build Toronto and City Planning, to establish a business case that considers the costs and revenues associated with the proposed plans for the Westwood Theatre Lands, Bloor/Islington, and current Etobicoke Civic Centre Complex lands, and report back to City Council in Q3 2017 with:
 - a. The cost and feasibility of relocating the Etobicoke Civic Centre Complex to the Westwood Theatre Lands;
 - b. The cost associated with other proposed public spaces and/or community facilities; and
 - c. Potential revenues and/or funding sources, including revenue estimates from the sale of City-owned lands at the current Etobicoke Civic Centre Complex, Bloor/Islington and surplus properties near the Westwood Theatre Lands.
4. City Council direct the Chief Corporate Officer, City Planning and the Affordable Housing Office, in consultation Build Toronto, and to determine opportunities for affordable housing at the Westwood Theatre Lands, Bloor/Islington lands, and current Etobicoke Civic Centre Complex Lands through the business case and site planning process, and report back on such opportunities to City Council in Q3 2017.

Financial Impact

Build Toronto will fund the costs of the limited design competition for the Westwood Theatre Lands. The site planning and massing exercise will be completed with existing, in-house resources with no additional funding required from the City.

It should be noted that no funding exists for this project in the 2016-2025 Approved Capital Plan. Accordingly, given the City's \$29 billion capital back log, this project would not proceed without a self-financing business case, given current resource constraints.

The Deputy City Manager & Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting of February 4-6, 2003, City Council approved “in principle, the concept of a new West District Service Centre that is optimally located with respect to the Bloor-Danforth Subway Line.” This report outlines and initiates the first steps towards the ultimate development of a new West District Service Centre.

<http://www.toronto.ca/legdocs/2003/agendas/council/cc030204/adm1rpt/cl003.pdf>

Subsequently, at its meeting of July 22-24, 2003, City Council adopted a report entitled “*West District Study – Results of the Request for Expressions of Interest and Recommended Next Steps*” (Report No. 7 of the Administration Committee, Clause No. 1). The report recommended the undertaking of a study to be referred to as the “West District Design Initiative” to examine potential urban design opportunities and develop a comprehensive vision for the Bloor/Islington lands, Westwood Theatre Lands and the Etobicoke Civic Centre Complex

<http://www.toronto.ca/legdocs/2003/agendas/committees/adm/adm030702/it032.pdf>

At its meeting of December 11-13, 2007, the Chief Corporate Officer and the Chief Planner and Executive Director, City Planning, advised Council on the results of the WDDI in a report entitled “*West District Study – Results of the West District Design Initiative*”. Council adopted the urban design visions resulting from the West District Design Initiative for Bloor/Islington, Westwood Theatre Lands and the Etobicoke Civic Centre Complex Lands. The urban design vision considers both the Bloor/Islington site and the Westwood Theatre Lands site as suitable locations for the development of a new Etobicoke Civic Centre Complex or for mixed use purposes. The Council decision is contained in the following Decision Document (item PG11.3):

<http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-12-11-cc15-dd.pdf>

At its meeting of July 7-9, 2015, City Council adopted a report titled “*Office Modernization Program – Pilot Projects*.” City Council recognized the Office Modernization Program (OMP) as a key initiative towards optimizing the City of Toronto's office portfolio and achieving cost savings. The report outlines short and long term objectives for rationalizing City office space while improving work settings and service delivery. Key principles of OMP will be considered when evaluating the new Etobicoke Civic Centre Complex.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.GM5.18>

In order to further Council's direction from 2003 and 2007 and facilitate the development of a new Etobicoke Civic Centre Complex on the Bloor-Danforth Subway line, City staff developed a Location Evaluation Framework. The analysis determined that the Westwood Theatre Lands are the most suitable location for new Civic offices.

ISSUE BACKGROUND

The West District Design Initiative identified the Bloor/Islington and Westwood Theatre Lands as suitable locations for the development of a new Etobicoke Civic Centre Complex.

The Office Modernization Program ("OMP") steering committee developed a Location Evaluation Framework to evaluate sites for City office buildings. The Office Modernization Program is guided by a number of City executives and Division heads. The steering committee is comprised of thirteen (13) executive level members with representation across all three (3) clusters and is chaired by the Chief Financial Officer & Deputy City Manager.

The Location Evaluation Framework determined that the Westwood Theatre Lands are a better location for the new Etobicoke Civic Centre Complex when compared to Bloor/Islington. The analysis determined that the Westwood Theatre Lands offer greater overall accessibility, lower cost projections and greater City building opportunities when compared to the Bloor/Islington site.

In order to further the Etobicoke Civic Centre Complex relocation, it is important that Council support the Westwood Theatre Lands as the preferred location for the relocated Etobicoke Civic Centre over the Bloor/Islington location. This report seeks Council approval to authorize a limited design competition and site planning exercise and report back to City Council with a business case and implementation strategy in 2017, subject to self-financing. By choosing a location for the new Etobicoke Civic Centre Complex, the City will also be in a position to unlock value at two other important locations, being the current Etobicoke Civic Centre Complex lands and Bloor/Islington site, which would be used to fund this project.

COMMENTS

Etobicoke Civic Centre Complex

The current Etobicoke Civic Centre Complex ("ECC") is located at the southeast corner of Burnhamthorpe Road and The West Mall. It is situated on approximately 6.7 hectares (16.5 acres) of land and is comprised of two buildings, known as 399 The West Mall and 2 Civic Centre Court. The combined total rentable area of the office buildings is 17,638.76 square metres (189,862 square feet). Fourteen (14) City Divisions operate out of these buildings as well as various community services and District functions, such as Councillor Constituency Offices and Community Council space.

The Civic Centre buildings are surrounded by substantial parking lots and there are limited amenities in the vicinity. In addition, this site is not optimally located for public and employee access, as it has poor public transit connections and is situated near the Western edge of the Etobicoke York District. The ECC is considered to be in poor physical condition and does not reflect current space utilization standards. There is \$45 million in the approved 2016 to 2025 capital plan for capital repairs at the facility. As such, there is significant opportunity to improve accommodation, service delivery and overall community access if the ECC were relocated.

Bloor/Islington

Bloor/Islington is approximately 2.12 hectares (5.24 acres) in size, located at the northwest corner of Bloor Street West and Islington Avenue. The site is currently used as an interregional bus terminal (i.e. TTC and Mississauga MiWay) and commuter parking lot for the Islington Subway Station. This site is well located on the Bloor-Danforth subway line, located directly above the Islington Subway Station. This site is described in the WDDI as having significant potential for mixed-use development.

Westwood Theatre Lands

The Westwood Theatre Lands include approximately 7.6 hectares (19 acres) of land at the southeast corner of Bloor Street West and Kipling Avenue. This area has excellent access to public transit as it is located near the Kipling GO station, Kipling TTC Subway Station and multiple bus connections. Completion of the Six Points Road Reconfiguration project (expected to be completed in 2020) will create large vacant City owned land parcels with significant development potential.

Evaluation Framework

The OMP steering committee developed an Office Location Evaluation Framework to evaluate City of Toronto office locations. The Framework provides a decision making tool that uses eighteen (18) measures in five (5) key areas, including:

- Accessibility and Customer Service
- Shaping the City
- Affordability
- Divisional Requirements
- Employee Experience

The framework was applied to evaluate the relocation of the Etobicoke Civic Centre to Bloor/Islington or the Westwood Theatre Lands. A summary of the evaluation measures is provided in Table 1:

Table 1 – Office Location Evaluation Framework	
Category	Measures
1. Accessibility & Customer Service	<ul style="list-style-type: none"> • Average Auto Commute Time • Transit Accessibility (GO, TTC Subway/LRT, Bus) • Active Transportation Score (Cycling/Walking) • Proximity to Residents Served • AODA Compliance
2. Shaping the City	<ul style="list-style-type: none"> • Built Form Appropriate to Neighbourhood Context • Opportunities for New Civic Space and Community Infrastructure • Projected Employment Growth • Revitalization Potential • Public Presence
3. Affordability	<ul style="list-style-type: none"> • Net Cost PSF Buildable • Net Cost PSF Operating • NPV of Total Ownership Cost
4. Divisional Requirements	<ul style="list-style-type: none"> • Staff Travel Time for Business Requirements • Impact on Business Operations (Non-Travel Related)
5. Employee Experience	<ul style="list-style-type: none"> • Quality of Workspace • Pedestrian Experience • Neighbourhood Appeal

The data collected and measured results in the Westwood Theatre Lands receiving higher scores than Bloor/Islington. It was determined that the Westwood Theatre Lands would provide better overall access for residents and employees, allow for greater City building opportunities and is projected to be a lower cost option than constructing at Bloor/Islington.

Limited Design Competition and Business Case

With City Council approval, Build Toronto, in consultation with City Planning and Real Estate Services, will lead a limited design competition for a new Etobicoke Civic Centre Complex at the Westwood Theater Lands. Concurrently, site planning and massing studies will be completed for Bloor/Islington and the current Etobicoke Civic Centre Complex Lands. The exercise will demonstrate City building opportunities at each location. The business case will determine the overall costs associated with the relocation of Etobicoke Civic Centre Complex and identify revenue estimates from the sale or lease of surplus lands at all three (3) locations. Other benefits will also be identified, including the opportunity for new public spaces, improving accessibility, modernizing accommodation standards, improving programs for residents and growing the City's tax base.

Office Space Rationalization

As part of the Office Modernization Program, the Chief Corporate Office Organization (CCOO) is developing an office rationalization plan, which will identify opportunities to collapse leases and consolidate office spaces, where appropriate. The plan aims to achieve cost savings by being more efficient with the use of City office space and will contribute to the overall optimization of the City's real estate portfolio. City staff will identify leases, or other office requirements from Agencies and Divisions, that can be incorporated into the business case for the new Etobicoke Civic Centre Complex.

Planning Rationale

Around the Westwood Theatre Lands is the Six Points Interchange, a complicated network of overpasses and underpasses where Kipling Avenue, Bloor Street West and Dundas Street West intersect. This area is currently undergoing a re-design to urbanize the busy road network and to facilitate redevelopment into a pattern of streets and blocks with an appropriate urban form. The reconfiguration of the Six Points Interchange will create large City owned development parcels that will foster the development of the Etobicoke Centre area with high quality public space to attract business and commercial operations.

The Westwood Theatre Lands are located in Etobicoke Centre, one of four "vital mixed use communities" known as *Centres* in the City's Official Plan, places with excellent transit accessibility where jobs, housing and services will be concentrated in mixed use settings. The Official Plan encourages a concentration of workers and residents in these locations to create significant centres of economic activity.

Opportunity for significant development is identified for Etobicoke Centre around the Kipling and Islington Subway Stations, and on the Westwood Theatre Lands in particular, due to the area's excellent access to public transit. The Official Plan also identifies the opportunity to improve services to residents by moving municipal and other government services to this area.

Adopted in 2002, the Etobicoke Centre Secondary Plan further clarifies land use policy for the *Centre*. The plan identifies the Westwood Theatre Lands as being a focus for the area and providing an opportunity to develop a mixed use neighbourhood with institutional uses as well as residential and office uses. The large development blocks will be divided with new public streets and new development will benefit from its proximity to Kipling Subway Station and other nearby transit facilities.

It is the opinion of Planning staff that the Westwood Theatre Lands would be a suitable location for a relocated Etobicoke Civic Centre Complex. The relocated civic centre would be a prime catalyst for revitalization of this area, bringing with it a mix of civic centre functions, commercial and retail opportunities, community and social services, including a new community centre facility, and would encourage a range of housing options.

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ATTACHMENTS

- Appendix A – Location Map
- Appendix B – Property Outlines