City of Burlington

Committee of the Whole April 6th, 2017

Delegation on Behalf of Lakeside Village Plaza

(5353 Lakeshore Road, Burlington)

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Speaking Notes

- Introduction
- Speaking on behalf of Joe Elmaleh and the owners of the Lakeside Village Plaza site, Cynthia Zahoruk also present
- Two key things I want to convey to the Committee:
 - An understanding of the background context related to this site and the process the owner has undertaken to date related to the redevelopment; and secondly,
 - The issues and concerns we have with the current recommendations and approach specific to this site as set out in the reports before you.
 - We are requesting through this delegation that you receive the staff information and allow for full public engagement which includes the owners of the site in order to properly consider and finalize the policies that will apply to this site and its future.

Background Context

- 1. At a Council meeting in **July of 2014**, Council passed a motion (111) regarding the Lakeside Plaza which directed the Director of Planning to:
 - a. Prepare a series of redevelopment options for the site based on intensive mixed use redevelopment and approach the owners of the property with the redevelopment plans;
 - b. Investigate and report on the authority to permit the use of incentives for redeveloping the site; and,
 - c. Provide an estimate of the resources needed to prepare and implement a Community Improvement Plan.

To my knowledge – none of this specific work has ever been completed.

- 2. In February of 2015, staff presented a report (PB -09-15) summarizing the findings of a report prepared by Urban Metrics and the Planning Partnership Commercial Strategy Study which was completed as part of the City's Official Plan Review. The purpose of the study was to provide an analysis of Burlington's market characteristics and commercial land supply and develop policy and design recommendations for future redevelopment and intensification of the lands. Key recommendation from this report was to establish a neighbourhood centre designation which would allow for mixed-use redevelopment on commercial sites including the Lakeside Plaza.
- 3. The initial Lakeside Plaza group met with the City for a pre-consultation in June of 2015. Planning comments at that time included "although the site is not identified as a formal intensification area, it has been identified by Council as an area for which "intensive mixed use redevelopment should be explored. Staff has been directed to approach the property owners and encourage the redevelopment of this site".
- 4. In November of 2015, the City hosted a Lakeside Community Visioning Session for the broader community area which the owner, myself, Ms. Zahoruk both attended and presented. The session focused on the major redevelopment activities in the area: Lakeside Plaza, Skyway Park and

Arena, Burloak Park, and the existing church site to the north. We received considerable feedback about what people wanted to see kept in any redevelopment and what they saw as opportunities.

- 5. In January 2016 staff presented an update on their OP Review work and timing (PB-09-16). This report highlighted the need to update City policies to influence *"the redevelopment of aging plazas to transform them into mixed use neighbourhood hubs"*. The direction in this report was to identify areas for intensification where the City can expect to see a high degree of redevelopment and include policies to manage the transition. The key was defining primary vs. secondary intensification areas. This included updating policies for the plaza areas which were studied in the early Commercial Strategy Study from 2015. There was a notation that separate studies may be required to consider redevelopment plans for the aging plaza sites.
- 6. In July of 2016 staff brought forward an additional report (PB-29-16) which provided directions on the OP review. This report set the foundation for the city's urban structure, intensification and growth management strategy. This report provided mapping to illustrate intensification areas and set out the framework for intensification. The intensification framework was intended to provide a "clear vision for intensification" and there was considerable discussion about the importance of conformity with the Region's context for intensification and intensification areas.

The policy directions included Primary Intensification Areas defined as geographic areas in the City that would accommodate the majority of growth to 2031 and beyond. They included aging Neighbourhood Centres located south of the QEW (including Lakeside Plaza as a Primary Intensification site).

- 7. On July 4, 2016, we forwarded a letter to City Council outlining our support for the identification of the Lakeside Plaza as a Primary Intensification Site and noting our willingness to work with staff as we continue to develop the plans for the site.
- **8.** In **October of 2016** staff released a further report **"Grow Bold" (**PB-84-16) which confirmed that the City would now be developing a new Official Plan

and not amending the current plan. This report reinforced the emerging urban structure and intensification framework endorsed by Council in July that would now be developed as new sections for the new OP.

- 9. The Lakeside Plaza project team has been formally assembled and has been working for the last year on a comprehensive redevelopment plan to align with the City's directions to date. We have a team of experts, many local consultants, to work with the City and the community on this incredible opportunity. Our team also includes one of the most reputable independent real estate and development advisory firms in Canada, Altus Consulting, who have undertaken a detailed analysis of the market and the project feasibility.
- 10.On **February 8, 2017**, we attended an **updated pre-consultation meeting** with the City and Regional staff to discuss technical matters related to our pending development application. It was at this meeting that staff first noted that they **were considering a change to the policy direction** for Lakeside Plaza and that it would be a Secondary Area and not on a proposed Frequent Transit Service Network. Staff noted their concern was that the site would "compete" for servicing and allocation with the primary intensification areas. They noted that six storeys may be considered with some increases through bonusing. There was no mention of the Coriolis Report which at this stage had been completed as it is dated November 2016.
- 11.On **March 24th, 2017**, the City released its new draft Official Plan. The release included a staff report, full draft of the new OP and a series of appendices. Key to Lakeside Plaza is Staff Report (PB-01-17) and the appended study by Coriolis Group dated November 2016 (Appendix E).

Our issues/concerns

Staff Report (PB-01-17)

- 1. Recommendations in the report are **to endorse the new commercial policy directions** (Note: there has been NO public engagement on these amended policies or direction) this is the first time we are seeing them.
- 2. **Endorse** the City's new Transportation Policy Directions (Note: Again this is the first time these have been presented).
- 3. In relation to the Commercial Lands Policy Directions, staff refers to the direction from PB-09-15 whereby the Director of Planning was to provide a more detailed review of eight locations proposed as Neighbourhood Centres.
- 4. Staff note they have done their review and concluded height and density in the neighbourhood centres must be considered in the context of the Primary Growth Areas and should be limited so as not to divert growth away from the Primary areas. There is however no evidence of how the site would create a diversion of growth especially without knowing the full extent of the primary growth areas which are all under further study. This seems a premature conclusion.
- 5. While we respect the need to have a consistent approach in an Official Plan to managing growth, being too rigid can lead to the inability to respond to market shifts and trends and most importantly opportunities if a planned area underachieves. This is important in the now 10 year planning timeframe.
- 6. **Staff refer to the market information by Coriolis Consulting** which indicates that mid-rise is viable for Roseland and Lakeside Plaza and higher density is not viable in the short term (and that parking reductions are needed to make the developments viable). I will speak to this further but have significant concerns with this report. Such a report should be used to assess the impact to the City of planned development. What are the implications financially to the City of various options?
- 7. The intensification of the neighbourhood centres should be supported by the Frequent Transit Network with one exception – Lakeside Plaza because Council expressed an interest through staff direction in July 2014. Would it not be prudent to consider how to support the site with transit or the area which is predominantly high density already along Lakeshore Drive?

8. The proposed policies are for 2 storey – 6 storey buildings with 2.5 FSI and increased FSI and height up to 11 storeys through rezoning.

New Draft Official Plan

- The new Official Plan designates the site as a Mixed Use Intensification Area – Mixed Use Node which is further defined as a Secondary Growth Area and further defined as a Neighbourhood Centre.
- 2. Policies for the designation restrict the site to **2-6 storeys in height** with potential for **up to 11** with a rezoning and a cap of 2.5 FSI with an increase through rezoning.
- 3. Clearly this would **preclude the opportunity** for the mix of housing and height variation otherwise being considered for the site given its size, context and previous direction from Council as a primary site.

Coriolis Report (November 2016)

- As noted we have concerns with the Coriolis Report. When was it commissioned? Why was the owner or our team not consulted or at a minimum informed of the study?
- 2. We have a number of concerns and comment on the report and have not had adequate time to fully review. Our brief assessment is as follows:
- There are assumptions in the report about roads, parks, building construction, historical data that are concerning and it is very confusing as to why such assumptions would have been used.
- The study provides a forecast of housing and growth for the suburban east area and a financial analysis based on three scenarios for redevelopment.
- The study refers to an appraisal of the Lakeside Plaza and detailed financial information.
- The market consultants prepared high level redevelopment concepts for each of the sites to illustrate the amount and type of development that

could be accommodated under low, medium and high density scenarios. The assessment of the scenarios is based on a series of assumptions.

- In the site description of the context for Lakeside there is a reference to the surrounding area being mostly townhomes and single detached single family residential units. There is no reference to the high density residential apartments.
- The study includes no reference of the community consultation held or the owner's intention to redevelop.
- The forecasts are based on historic population and household trends and historical shares.
- The study was only done for the Lakeside and Roseland plazas.
- The references to apartment and townhome projects are all for single small site developments not redevelopment nodes.
- Assumptions for the financial analysis note that the model is done to enable a developer to purchase the site so it does not discount land costs of an owner developing the site.
- The development scenarios (low all 4 storey buildings, medium all 6 storey, high – all 12 storeys) are not reasonable. They conflict with basic design principles of alternating height on such a large site. They also assume 5% on site parkland dedication and an assumption that 30% of land will be used for public roads.
- The study also relies on wood frame construction for 4 and 6 storeys (admits this is not what is currently built in Ontario more so in Vancouver) but it should be used.
- The conclusions are that high density development is not feasible. While medium density is not supported either it would yield the highest land value if redeveloped.
- They recommend 4-6 storey wood frame construction for the site. They state that concrete buildings are not viable at 8 to 12 storeys.

Summary

- 1. Lakeside Plaza is an incredible opportunity as Council has acknowledged in its specific motion in 2014 and through its endorsement as a primary intensification area in 2016.
- 2. The change in consideration at this stage with the endorsement of a narrow prescribed policy without further public input does not represent good planning.
- 3. The owner is committed to work with the City, staff and the community with his local team to develop a great plan and provide for an incredible redevelopment of the site which can be part of the City's vision to GROW BOLD and meet the City's needs.
- 4. The current proposed framework will remove that potential and opportunity for this site to be a great place. Focusing all of the growth in the mobility hubs ignores the importance of recognized real opportunities for sites that are the size and within the community context to meet the diverse needs of the growing community. This site offers more than just a tall building.

Thank you