

City of Saint John Growth Committee - Open Session AGENDA

Tuesday, December 11, 2018 12:00 pm 8th Floor Boardroom, City Hall

1.

		Pages
Call to	o Order	
1.1	Approval of Minutes	
	1.1.1 Minutes of October 2, 2018	1 - 3
	1.1.2 Minutes of November 13, 2018	4 - 5
1.2	2019 Growth Work Plan Roundtable Discussion	6 - 19
1.3	Finance Committee Referral: Demolition on Fundy Quay Site	20 - 25
1.4	2019 Growth Committee Meeting Schedule	26 - 26



The City of Saint John

MINUTES - OPEN SESSION GROWTH COMMITTEE MEETING OCTOBER 2, 2018 AT 11:30 A.M. 8TH FLOOR BOARDROOM, CITY HALL

Present:	Mayor D. Darling Deputy Mayor S. McAlary
	Councillor J. MacKenzie
	Councillor B. Armstrong
Absent:	Councillor R. Strowbridge
	Councillor G. Lowe
Also	
Present:	Acting City Manager N. Jacobsen Commissioner Growth and Community Development J. Hamilton Deputy Commissioner Building and Inspection Services A. Poffenroth Deputy Commissioner Growth and Community Development P. Ouellette Population Growth Manager D. Dobbelsteyn Senior Financial Analyst J. Forgie Communications Manager L. Caissie Director Strategic Real Estate Services S. Carson Deputy Commissioner Parks & Public Spaces T. O'Reilly Planner M. Reade Planner J. Brown Administrative Assistant K. Tibbits

1. Meeting Called To Order

Mayor Darling called the Growth Committee open session meeting to order.

1.1 Approval of Minutes – August 7, 2018

Moved by Deputy Mayor McAlary, seconded by Councillor Armstrong: RESOLVED that the minutes of August 7, 2018 be approved.

MOTION CARRIED.

1.2 <u>Population Growth Framework</u>

Mr. Ouellette noted that various levels of government and various community members are involved in delivering population growth.

Referring to the submitted report, Mr. Dobbelsteyn provided an update on the Population Growth Framework and discussed a number of initiatives including recruitment missions, uptown apartment tours, cultural sensitivity training, mixer programs, ONB Connects program, job fairs, newcomer guide and success stories. There is a sense that Saint John is becoming a more welcoming community. An advisory panel / focus group comprised of immigrants has been formed to identify the challenges faced by newcomers. Ms. Abiola Daramola, Saint John Local Immigration Partnership, provided an update on the work done by the LIP, noting that they work together to make a more welcoming community. Working groups have been formed to assist newcomers through employment and training, language, and health related matters.

Ms. Caissie provided an update on the "Love Your City" campaign. This is a social media campaign, #MySaintJohn, to encourage positive dialogue on social media sites from city residents to make people aware of what Saint John has to offer. The hope is to transition from a "Love Your City" to a "Love Our City" focus.

Ms. Brown commented on the International Student Mixer, organized to enhance the newcomer experience. This particular mixer will occur at the Kent Theatre and consist mostly of new international students and community partners.

Ms. Forgie provided an update on the city services audit, conducted through a newcomer lens. It will identify the newcomer groups to be targeted and the needs of these specific groups. Opportunities/challenges will be identified and through a gap analysis, determine what if any services can be better delivered to the targeted groups. The objective is to increase retention of immigrants in Saint John.

Moved by Councillor MacKenzie, seconded by Deputy Mayor McAlary: RESOLVED that the Population Growth Framework, be received for information.

MOTION CARRIED.

1.3 <u>Community Standards Program – Verbal Update</u>

Mr. Poffenroth provided an update on the Community Standards Program. The previous enforcement officer has resigned and the recruitment effort is continuing. Due to this staffing shortage, not as many resources are currently being directed to this program.

1.4 <u>Transportation Model Update</u>

Mr. Reade provided an update on the Transportation Model. Work is currently being conducted on Phase 2 which includes development of the Transportation Demand model, data on travel patterns, and a truck strategy. Phase 3 will include a comprehensive transportation network improvement plan for vehicles, active transportation, transit, roundabouts, cycling strategy, road safety and the overall roadway classification network. The model will determine the transportation investments that best support the City. The goal is to bring the entire model together to include a transit strategy, parking strategy, and an active transportation strategy.

Moved by Deputy Mayor McAlary, seconded by Councillor Armstrong: RESOLVED that the Transportation Model Update, be received for information.

MOTION CARRIED.

Adjournment

Moved by Councillor Armstrong, seconded by Deputy Mayor McAlary: RESOLVED that the open session meeting of the Growth Committee be adjourned.

MOTION CARRIED.

The open session meeting of the Growth Committee held on October 2, 2018 was adjourned at 1:25 p.m.

Recording Secretary



The City of Saint John

MINUTES - OPEN SESSION GROWTH COMMITTEE MEETING NOVEMBER 13, 2018 AT 11:00 A.M. 8TH FLOOR BOARDROOM, CITY HALL

Present:	Mayor D. Darling Deputy Mayor S. McAlary Councillor J. MacKenzie Councillor B. Armstrong Councillor R. Strowbridge
Also	
Present:	Acting City Manager N. Jacobsen Commissioner Growth and Community Development J. Hamilton Deputy Commissioner Building and Inspection Services A. Poffenroth Deputy Commissioner Growth and Community Development P. Ouellette Population Growth Manager D. Dobbelsteyn Senior Financial Analyst J. Forgie Director Strategic Real Estate Services S. Carson Administrative Assistant K. Tibbits

1. Meeting Called To Order

Mayor Darling called the Growth Committee open session meeting to order.

1.1 Enterprise Saint John's 2019-2021 Plan

(R. Gaudet, P. Hicks, S. Crozier and E. McLean of Enterprise Saint John entered the meeting)

Mr. Gaudet reviewed the submitted presentation, "Economic Development Plan 2019-2021." Preparation for the three year economic development plan included consultations with major employers in the region, industry and partners in other levels of government. The plan is based on this feedback and the City's Roadmap for Smart Growth, population growth agenda, and the positioning of the white paper. The goal of the economic development plan is to increase employment, labour force, GDP, and consumer confidence over time. The plan will prioritize work force development, business investment and innovation, entrepreneur development and marketing Greater Saint John.

(Councillor Strowbridge entered the meeting)

Mr. Gaudet commented on the current funding model and the request from Enterprise Saint John for increased funding. Additional resources would go towards growing the population, increasing tax base and jobs, supporting workforce development, business investment and marketing. Saint John lags Moncton by approximately 20 years in terms of marketing and three years in terms of a focused effort to attract immigration and workforce.

Moved by Deputy Mayor McAlary, seconded by Councillor Armstrong: RESOLVED that Item 1.1 Enterprise Saint John's 2019-2021 Plan, be received for information. Growth Committee Meeting Open Session November 13, 2018

MOTION CARRIED.

(Mr. Gaudet, Ms. Hicks, Ms. Crozier and Ms. McLean withdrew from the meeting)

1.2 <u>Heritage Grant Budget Request from the Heritage Development Board</u>

Ms. Poffenroth stated that the Heritage Development Board has requested an increase in the heritage grant funding from \$80,000 to \$200,000. Staff recommends that the budget remain at \$80,000 and that any increases to heritage grant funding be drawn from the growth reserve. The Growth Committee would receive a report on the development incentives program and further discussion on possible draws from the growth reserve, prior to making a decision.

Moved by Deputy Mayor McAlary, seconded by Councillor Armstrong:

RESOLVED that the Growth Committee recommend to the Finance Committee that the Heritage Grant budget in the proposed 2019 operating budget remain at \$80,000 and that the Heritage Development Board request to increase the grant budget be considered by the Growth Committee at a future meeting as a possible draw on the 2019 growth reserve.

MOTION CARRIED.

1.3 2019 Growth Work Plan

The 2019 Growth Work Plan was referred to the December meeting of the Growth Committee.

Adjournment

Moved by Councillor Armstrong, seconded by Deputy Mayor McAlary: RESOLVED that the open session meeting of the Growth Committee be adjourned.

MOTION CARRIED.

The open session meeting of the Growth Committee held on November 13, 2018 was adjourned at 12:25 p.m.

Recording Secretary



GROWTH COMMITTEE REPORT

M&C No.	# found on Sharepoint
Report Date	December 06, 2018
Meeting Date	December 11, 2018
Service Area	Growth and Community
	Development Services

His Worship Mayor Don Darling and Members of the Growth Committee

SUBJECT: 2019 Growth Work Plan

OPEN OR CLOSED SESSION

This matter is to be discussed in open session of Common Council.

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	City Manager
Phil Ouellette	Jacqueline Hamilton	Neil Jacobsen

RECOMMENDATION

Staff will facilitate a discussion with Growth Committee to gather input on key priorities for the 2019 Growth work plan.

REPORT

In preparation for the 2019 fiscal year, the Growth Committee is encouraged to establish expectations and priorities for itself and the work plan for corresponding departments and agencies. The Growth Committee established a 2018 Growth Plan, which allowed for staff and the community to have a clear understanding the Committee's focus as well as define the content of Growth Committee agendas.

An annual report will be submitted to the Growth Committee in early 2019 on the progress of the 2018 work plan, achievements and challenges associated with the 2018 Growth Work Plan, but staff is encouraging the Committee to begin working through key priorities and focus areas for 2019.

Staff has assembled an initial high-level overview of key growth-related deliverables for 2019 (see below), which is intended to support the Committee's discussion around 2019 priorities. From staff's interpretation, the key growth focus areas for 2019 include:

- Focus on the implementation of existing plans and delivering results in the community;
- Important decision-point on the City's investment towards tourism;

- Finalization of two major plans: ESJ's 2019-2021 plan and Neighborhood Plan/Heritage Bylaw;
- Spurring catalytic development in Saint John's primary development area;
- Ongoing pursuit of transformational change through the City's financial sustainability efforts.

The facilitated session during the Growth Committee meeting on December 11th will require the participation of Growth Committee Members (*see attached presentation*), and solicit feedback on the progress of the 2018 growth work plan. In addition, Committee Members will be asked the following questions about the 2019 work plan:

- 1. Are there key growth outcomes that should be added to the draft list of 2019 growth priorities?
- 2. What do you believe are the City's most important growth priorities for 2019?

Key 2019 Growth Outcomes

Growth enhancements

- Completion of Discover Saint John's five year contract
- Introduction of Marketing Growth coordination
- Implementation of the new 2019-2021 Enterprise Saint John Plan
- Filling Unfilled Jobs Task Force

Completion of Neighborhood Plan for the Central Peninsula

- Initiation of Neighborhood Plan for the Central Peninsula Action Plan
- Introduction of new design guidelines framework including the new Heritage Bylaw
- Continued pursuit of major catalytic development projects (school, museum, and residential development)

Continued implementation of the Population Growth Framework

- Introduction of Saint John Local Immigration Partnership resources into City of Saint John
- Introduction of the revamped Arts and Culture Coordinator position into the City of Saint John
- Implementation of the Succeed and Stay project
- Pursuit of a renewed website for the City of Saint John aligned with growth outcomes

Customer Service Excellence

- Enhancements and efficiencies introduced to the planning approvals process
- Continued refinement of the one-stop development shop experience for customers

Reporting and Monitoring

- Quarterly dashboard of economic indicators (Growth Committee and Common Council)
- Periodic updates to Growth Committee on activity of One-Stop Development Shop
- More deliberate updates and orientation on Growth initiatives with Common Council
- Delivery of mandate letters for Enterprise Saint John and Develop Saint John

Program Delivery

- Vacant and Dangerous Buildings Program
- Community Standards Program
- Heritage Development
- Urban Development Incentive Program

PREVIOUS RESOLUTION

N/A

STRATEGIC ALIGNMENT

Common Council has adopted a new set of Council Priorities: 2016-2020 in early November 2016, and under the heading of "Growth and Prosperity," the following is stated: "Saint John is recognized by residents and businesses as a positive and supportive city. We grow in a smart way and attract talent, innovation and opportunities so all people can thrive." In addition, Council adopted key performance indicators to evaluate its ability to *Grow SJ*, including, among others: "Building permit value," "Change in tax base assessment within the City," "Change in population." Finally, Saint John Common Council adopted the Roadmap for Smart Growth on Monday March 27th, 2017.

SERVICE AND FINANCIAL OUTCOMES

The intended outcomes of the City of Saint John's growth-related efforts and investments are to achieve new levels of employment, population and tax base growth.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

N/A

ATTACHMENTS

2018 and 2019 Growth Work Plans



Growth Committee: 2018 and 2019

December 11 2018



2018 Focus and Priorities

- Draft Neighborhood Plan for the Central Peninsula
- Launch of the City's first Population Growth Framework
- Marketing Growth
- Establishment of first annual growth targets dashboard
- Major Developments
- Introduction of Develop Saint John
- Draft Enterprise Saint John Strategic Plan 2019-2021
- Growth Reserve Investments
- Launch of Vacant Property Match Program
- Ongoing Program Delivery



2018 Focus and Priorities

Target	Mid-Year Result
\$75 million tax base increase	41 active projects / \$250 million in tax base growth
PlanSJ Geographic Targets - 95% development in PDA - 85% development in Intensification areas	- 94% in PDA - 68%
Permit Turnaround Time - Tier 1 – 5 business days - Tier 2 – 10 business days - Tier 3 – 20 business days	Tier 1 - 3.9 Tier 2 - 8.0 Tier 3 - 9.7
Vacant and Dangerous Buildings Program - 75 resolved cases	<u>34 total closed cases</u> 23 repaired/reoccupied (11 demolitions)
Community Standards Program - 25 resolved cases	70 total resolved cases Issued 9 Notices to Comply
Development Incentive Program - \$150,000 of leveraged facade upgrades / 20 projects	11 conditionally approved projects \$232,545 estimated leveraged investment
Heritage Development Grant - Pay out minimum of 95% of grant budget by Nov. 30	27 conditionally approved projects \$273,164 estimated leveraged investment
25 new start-ups (supported by ESJ)	14 start-ups
845 new and retained jobs (supported by ESJ)	12 ²⁶⁷ hired 917 announced jobs



What do you believe are the City of Saint John's major growth accomplishments for 2018?



<u>Summary</u>

- Focus on the implementation of existing plans and delivering results in the community;
- Important decision-point on the City's investment towards tourism;
- Finalization of two major plans: ESJ's 2019-2021 plan and Neighborhood Plan/Heritage Bylaw;
- Spurring catalytic development in Saint John's primary development area;
- Ongoing pursuit of transformational change through the City's financial sustainability efforts.



Growth enhancements

- Completion of Discover Saint John's five year contract
- Introduction of Marketing Growth coordination
- Implementation of the new 2019-2021 Enterprise Saint John Plan
- Filling Unfilled Jobs Task Force

Completion of Neighborhood Plan for the Central Peninsula

- Initiation of Neighborhood Plan for the Central Peninsula Action Plan
- Introduction of new design guidelines framework and Heritage Bylaw
- Continued pursuit of major catalytic development projects



Continued implementation of the Population Growth Framework

- Introduction of Saint John Local Immigration Partnership resources into City of Saint John
- Introduction of the revamped Arts and Culture Coordinator position into the City of Saint John
- Implementation of the Succeed and Stay project
- Pursuit of a renewed website for the City of Saint John aligned with growth outcomes

Customer Service Excellence

- Enhancements and efficiencies introduced to the planning approvals process
- Continued refinement of the one-stop development shop experience for customers



Reporting and Monitoring

- Quarterly dashboard of economic indicators (Growth Committee and Common Council)
- Periodic updates to Growth Committee on activity of One-Stop Development Shop
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- Delivery of mandate letters for Enterprise Saint John and Develop Saint John



Program Delivery

- Vacant and Dangerous Buildings Program
- Community Standards Program
- Heritage Development
- Urban Development Incentive Program





1. Are there key growth outcomes that should be added to the draft list of 2019 growth priorities?

2. What do you believe are the City's most important growth priorities for 2019?





GROWTH COMMITTEE REPORT

Report Date	December 07, 2018
Meeting Date	December 11, 2018

Mayor Don Darling and members of the Growth Committee

SUBJECT: Coast Guard Administration Building

OPEN OR CLOSED SESSION

This matter is to be discussed in open session of Growth Committee.

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	Acting City Manager
lan Fogan	Kevin Fudge/Ian Fogan	Neil Jacobsen

RECOMMENDATION

On December 6th, 2018, the Finance Committee approved the following recommendations, including a referral to Growth Committee to approved the use of Growth Capital Reserve Funding.

Recommend that Finance Committee;

- Recommend to Council to approve the transfer of \$500,000 of the projected 2018 General Operating Fund surplus to the General Operating Reserve Fund to partially fund demolition work in 2019;
- Recommend that Common Council allocate \$500,000 approved in the 2017 Capital Budget for Growth to fund demolition work in 2019;
- Refer to the Growth Committee to approve the use of the 2017 Growth Capital Budget envelope for Growth to fund demolition in 2019;
- Direct staff to negotiate a Memo of Understanding with the Saint John Parking Commission for the management and operation of the parking lot at the former Coast Guard Site;
- Direct staff to proceed with application to PAC to obtain a temporary parking lot and comply with conditions set out by PAC;
- Direct City pro-rata portion of proceeds from parking revenue be used to replenish the General Operating Reserve Fund used to pay for demolition;

EXECUTIVE SUMMARY

The Coast Guard Administration building is now vacant and the City must determine the best use for the property. The current plan for the Coast Guard site includes a new museum and the expectation is this investment will be the catalyst for the complete redevelopment of the Coast Guard Site.

DevelopSJ engaged Real Estate Consultants Turner Drake & Partners (Turner Drake) to evaluate the market value of the administration building and site and to provide a letter of opinion on use of the site. In addition to the Turner Drake letter, staff performed an analysis on other options for the building. The recommendation is to demolish the building and prepare the site for sale.

PREVIOUS RESOLUTION

None

STRATEGIC ALIGNMENT

Common Council has adopted an ambitious new direction to achieve new population, employment and tax base growth for the community, which are embedded in Council Priorities 2016-2020, the Roadmap for Smart Growth, the Population Growth Framework and soon to be completed Neighborhood Plan for the Central Peninsula. All these strategies are premised on the City's ability to enhance density in the City's primary development areas and to invite catalytic projects that will cause spin-off investment and growth.

REPORT

A letter of opinion was received from Turner Drake to understand the potential market value of the site which includes both land and the Coast Guard Administration building. The report values the property with a cleared site, building demolished, site remediation and seawall upgrades at \$3.5 million market value.

The report intentionally did not assign a market value for the existing building, as it was determined that a private redevelopment scenario was financially infeasible given that the redevelopment of the building could not absorb the costs of the required infrastructure improvements (seawall & soil remediation) and would not generate enough tax base to provide a return on investment for government to undertake the infrastructure improvements.

In addition to the information received from Turner Drake, City staff performed a scenario analysis on other potential options for the site. Two additional scenarios staff analyzed were to keep the building vacant until a seller could be found or

reinvest capital into the building to be able to lease out space until a seller could be found.

Scenario: 1 Reinvestment in building and lease/sell site

Costs: Upfront Capital (does not include annual maintenance)

1-	Building Envelop - Roof and windows:	\$600,000
2-	Building Mechanical and HVAC Systems:	\$1,500,000
3-	Building Electrical System:	\$500 <i>,</i> 000
4- Other such as plumbing and elevator:		\$300,000
	Total:	\$2,900,000

The figures do not include potential aesthetic improvements that may be needed to be able to market the building to potential tenants.

It was quickly determined that this is not a feasible option for the City. The investment in the site is significant and without a known market or potential buyer/lessor of the site, the return on investment cannot be reasonably determined. There is no guarantee on attracting businesses to lease the space considering Saint John has a high commercial vacancy rate.

In addition, a refurbished building could potentially limit the market for potential developers of the site. Recovery of the investment costs into the building would be very difficult to obtain without a special purchaser which could take a significant amount of time to find.

Scenario: 2 Maintain Building in current condition and lease/sell site

Staff analyzed the feasibility of maintaining the building in its current state until a buyer can be identified. The annual costs for the building was estimated to be greater than \$150K per year and would include property taxes, snow plowing, heating, and security. Under this scenario the City could be paying the annual costs for an unlimited period as it is unknown how quickly the building could be sold.

These annual costs would be a sunk cost for the City and there is limited chance of recovery of this money through the sale of the property. Also, according to Turner and Drake, selling the building "as is" would not be economically feasible due to the significant infrastructure challenges facing the property.

Scenario 3: Demolition of the Coast Guard Building

Under the letter of opinion provided by Turner and Drake, the demolition of the Coast Guard Building could cost upward to approximately \$1.0 million but the

potential market value is estimated to be \$3.5 million with seawall refurbishment, and site remediation.

Recommendation

Staff is recommending the Coast Guard administration building be torn down at an approximate cost of \$1.0 million dollars. This scenario along with site remediation and seawall upgrades would make this site quite marketable to a regional or national investor according to Turner Drake.

The City through discussions with Saint John Parking Commission have determined that annual parking revenues based on the vacant building space could bring in an additional \$100K per year. Based on the additional \$100K in parking revenue and the reduction of \$150K in annual maintenance costs for keeping the building, there is a payback of 4 years to recover the demolition fees. The parking lot assumption is conditional on PAC temporary approval to operate a parking lot and some beautification may be required as a temporary measure until site development.

The demolition of the building will have a transformational impact of not only the former Coast Guard Site but for the entire Uptown and Waterfront area. The building is awkwardly positioned on the site, not visually appealing considering the potential of a new museum and will limit future investment.

The financial assumptions built in for tear down of the building, regardless of whether the Museum is developed or not, make this recommendation the best financial scenario with the least amount of risk for the City moving forward until a purchaser is found.

Staff is recommending that Finance Committee support transferring \$500K of the expected 2018 General Fund surplus into a reserve to pay a portion of the demolition cost in 2019. Also, staff is recommending that the balance of the demolition be funded from the \$500K Neighborhood plan capital budget approved in the 2018 General Fund Capital budget after engagement with the neighborhood action committee.

Lastly it is recommended all net revenue generated from parking at the entire Coast Guard site be directed back into a reserve to replenish funds used for demolition cost and future cost associated with the site.

SERVICE AND FINANCIAL OUTCOMES

The Central Peninsula Neighbourhood Plan focuses significant attention on the development potential of the Coast Guard site. Located at the doorstep of the City's Uptown, it is positioned for large scale, catalytic development which will propel the area into a stronger and increasingly exciting urban environment. The

siting of the New Brunswick Museum is the first step in the creation of a more dynamic and inviting public space along the City's waterfront. Concept plans for the area detail a mixed-use, pedestrian friendly gateway into the City's Uptown Waterfront with the Coast Guard site central to bridging the gap between the active Market Slip and the Port's Marco Polo Terminal. Preparing the site for redevelopment is strategic to leveraging private investment in an area considered to be vital to the success of the Neighbourhood Plan and, more importantly the growth of the City's centre.

The cost of demolition is estimated to be approximately \$1.0 million and there would be a reduction of annual expenses of \$150K and annual new parking revenue of \$100K.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

Input was received from Develop SJ, Saint John Parking Commission, Growth and Development, Finance and Administration services and all areas are in full support of the recommendation to demolish building.

ATTACHMENTS

Neighbourhood Plan Big Move - Uptown





GROWTH REPORT

Report Date	November 21, 2018
Meeting Date	December 11, 2018
Service Area	Growth and Community Development Services

His Worship Mayor Don Darling and Members of the Growth Committee

SUBJECT: Proposed 2019 Meeting Dates

OPEN OR CLOSED SESSION

This matter is to be discussed in open session of the Growth Committee.

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	City Manager
Phil Ouellette	Jacqueline Hamilton	Neil Jacobsen

RECOMMENDATION

Growth Committee approves the recommended meeting dates for 2019.

Report

The following dates are recommended to establish a regular meeting schedule for 2019. Meetings will be held in the 8th floor boardroom. Meeting times are proposed to occur from 11:00am to 2:00pm.

- Tuesday, Feb 5th
- Tuesday, March 5th
- Tuesday, April 2nd
- Tuesday, May 14th
- Tuesday, June 11th
- Tuesday, July 23rd
- Tuesday, August 27th
- Tuesday, October 1st
- Tuesday, October 29th
- Tuesday, November 26th
- Tuesday, December 17th