

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf.	11-96-1322
Your File/V/Réf.	
DATE	21 March 1997
TO/DEST.	Co-ordinator Corporate Services and Economic Development Committee
FROM/EXP.	Planning and Development Approvals Commissioner
SUBJECT/OBJET	RECOMMENDED SITE FOR A NEW/EXPANDED CONVENTION CENTRE FOR OTTAWA-CARLETON

DEPARTMENTAL RECOMMENDATIONS

That the Corporate Services and Economic Development Committee recommend Council:

- 1. Select the Viking Rideau lands, adjacent to the Rideau Centre, as the preferred site for expanded convention facilities, including a hotel and parking facilities, in Ottawa-Carleton;**
- 2. Authorize staff to identify funding sources including the potential of the proposed Canada-Ontario Infrastructure Program;**
- 3. Authorize staff to enter into negotiations with the Viking Rideau Corporation with respect to building the proposed convention centre.**

BACKGROUND

This report follows from two previous reports which have been before Committee on expanded convention facilities in the downtown core. Based on the last report, which was presented to Committee on 5 November, 1996, the Convention Centre Steering Committee was authorised to:

- a) develop guidelines for detailed submissions of interest,
- b) invite submissions from proponents with suitable sites, and
- c) evaluate the submissions and recommend a specific site/submission.

The benefits of a new Convention Centre include strengthening the Regions tourism infrastructure and economy, building a venue to attract visitors from around the world to Canada's Capital and improving the economy of the downtown.

The objective of this phase of the work is to recommend a preferred site for a new/expanded convention centre.

The Convention Centre Steering Committee (CCSC) has representation from OCEDCO, OTCA, the Congress Centre and City of Ottawa along with Regional staff. In response to the above direction, the CCSC prepared a five page "Guidelines For Detailed Submissions Of Interest". The guidelines were sent to parties as requested, based on an advertisement which appeared in three local newspapers on November 27, 1996. Although copies of the guidelines were sent to several companies, only two submissions were received, from Minto Development Inc. and Viking Rideau Corporation.

The proponents were separately interviewed by the CCSC on January 14, 1997. Prior to the interview, each proponent was given a list of questions specific to their submission, which were to be addressed at the interview. After the interviews the CCSC met several times and concluded additional information would be required before a recommendation could be made. At this point in time outside expertise was sought and a few CCSC members toured the Metro Toronto Convention Centre. Based on further work, analysis and research, the CCSC requested on 19 February for the proponents to respond to refined/revised requirements and to respond to specific concerns with each submission. The proponents were given up to March 12 to reply.

THE REQUIREMENTS FOR A CONVENTION CENTRE

The following are the requirements established by the CCSC for an expanded convention facility:

Strategic Site Criteria

- Located in the downtown core so that amenities, restaurants, attractions and entertainment are within a short walking distance. This is essential for a successful convention facility in Ottawa-Carleton.
- Minimum footprint of 150,000 sq. ft. (can include "air space" over existing roads and buildings). Preferably have room for expansion.
- Weather-protected link to the Congress Centre. The shorter the distance the better. The lease for the Congress Centre runs to the year 2033 with renewal rights to 2083. Since the existing facility is well located and there is no practical reason for it to be abandoned, one of the major issues is how to best link the new facility with the old. Linking would permit joint use of facilities (meeting rooms, kitchens, etc.) and joint administration/operation

- Around 2,000 quality hotel rooms less than 500 m from site (including rooms to be built in new hotel as part of the new facility).
- Weather-protected access from hotel rooms to the new facility.
- Proximity to the By Ward Market would be advantageous.

Detailed Site Criteria

- Ability of the site to include entertainment as part of the convention centre complex, such as retailing, restaurants and other attractions.
- Consider opportunities to develop or redevelop an unattractive site to improve the appearance of the core.
- Assess adequate/appropriate space for truck loading docks.
- Assess truck accessibility, with consideration of impact of truck movements on traffic flow.
- Assess truck route impacts on adjacent communities.
- Consider the need for a marshalling yard for trucks within a few kilometres of the facility.
- Require direct access for charter buses, and proximity to OC Transpo service.
- Assess parking requirements and parking potential for each site (minimum of 800 spots according to KPMG).
- Determine natural site constraints, planning approval requirements, etc.
- Possibility of improving the pedestrian environment, (e.g. retailing at grade rather than blank walls).
- Sensitivity to surrounding uses, especially heritage buildings and residential areas.
- Visibility of site so that the facility can be a landmark feature.

Performance Criteria

- Facility Mix:
 1. Exhibition space of 100,000 sq. ft., which can be divided into four separate rooms.
 2. No convention centre ballroom (will use existing ballroom in Congress Centre).
The hotel may have a ballroom.
 3. Meeting room space of 50,000 sq. ft., which can be divided into numerous rooms of different sizes.
 4. Circulation or crush space, including space for registration.
 5. Kitchen of 5,000 sq. ft. (including space for dishwashing, refrigeration, etc.). (This space could be used for either a full kitchen or a satellite/service kitchen.)
- Direct truck access onto the exhibition floor plus adequate loading bays.
- Floor loading of the exhibition area to be a minimum of 350 psf.
- Two options for parking - 800 parking spaces and 1,200 spaces.

- Potential for future expansion. Preferably in the order of 100,000 sq. ft. or more, but a lesser potential may be acceptable.
- The CCSC would prefer no capital land cost assigned to the public sector, and instead have the public sector purchase or rent the site for a nominal fee (\$1.00).
- There must be revenue generators for the convention centre additional to the operations and parking. This could include rents from retail space, corporate sponsorship (possible corporate name for facility for a fee), signage space rental, a gaming house, etc.

MINTO'S PROPOSAL

This is the 255,000 sq. ft. (5.8 acres) site studied in the “Capital Centre Capitale” report prepared by KPMG. It is located opposite the Rideau Centre south of the Mackenzie King Bridge, and situated between the Department of National Defense Headquarters and the University of Ottawa. In addition to 1.5 acres owned by Minto, 2.3 acres of Department of Public Works lands (leased to DND) and 2.0 acres of “air rights” over RMOC roads are part of the defined site. This site could serve as a gateway to the downtown because it is very visible and situated where Nicholas Street, which operates as a major on/off ramp to the Queensway, enters the downtown core. The proposal is for a two level facility elevated over the intersection of Nicholas and Waller Streets, with some enclosed space at ground level. A hotel would be located in the north-west corner. A controlled pedestrian link to the Congress Centre would be built, elevated over the Mackenzie King Bridge; with a second possible link under the bridge for staff and services. This site could benefit the University of Ottawa by providing a venue for large university functions, provided the visual and community impacts on the university and surrounding residential areas are acceptable.

VIKING RIDEAU'S PROPOSAL

This site is immediately east of the Rideau Centre, and the proponent, which owns the Rideau Centre, would integrate the two facilities. The site is currently used mainly for parking (surface and structure) and includes the five story Ogilvie Building at the corner of Rideau and Nicholas. The proposal is for a four storey convention facility with a hotel above the north east corner (Rideau and Nicholas). The main convention rooms would be on the fourth floor, which would have an area of 173,000 sq. ft. The third floor would provide linkages for pedestrian access to the Congress Centre, Westin Hotel, Novotel/Les Suites, and the Government Conference Centre.

SITE ANALYSIS AND EVALUATION

Based on the criteria noted above, the CCSC established site evaluation criteria to compare the two proposals. These criteria are in three groupings: site location, site situation, and site characteristics, with some more highly weighted to reflect their greater importance.

The following is a brief description of each requirement and how, in the view of the CCSC, the two sites compared to each other.

Site Location

Protected walking distance (via existing and proposed linkages) from the new facility to the existing Congress Centre and hotels. The shorter the distance the better. Viking Rideau (VR) scored higher than Minto.

Outdoor walking distance and walking environment to Rideau St. and the By Ward Market. VR has a better location for this factor.

Ability to permit a landmark building. Because the Minto site is more visible and the proposed building is “stand alone”, it rated higher.

Site Situation

Traffic impacts- pedestrian, autos and trucks. In terms of traffic impacts, the sites were considered to be equal. However, VR was better for pedestrians while Minto was better in terms of a lesser impact on existing roads and the community from trucks.

Operational integration with the Congress Centre. Neither proposal was completely satisfactory with respect to this factor, and they were rated the same. Both sites have the potential for integration but the CCSC had concerns with the submitted details on how to do this. The main concern is the movement of staff and prepared food between the two facilities. This matter will require further work in the future.

Direct truck access onto the exhibition floor and adequate provision of truck loading bays. The Minto site scored higher primarily because there is more room for these facilities and because the truck ramp to the exhibition floor is shorter and easier to use.

Community Impacts. The Minto site would have a bigger impact (visual, noise, etc.) on nearby residential areas, the University of Ottawa and DND Headquarters. VR’s proposal has fewer negative impacts because it is tucked into the side of the Rideau Centre, and it has a potentially positive impact at the ground level of Rideau Street

Regulatory Aspects. Both proposals were rated the same as the scope of issues was felt to be similar. Both will require an application to change the zoning requirements for parking (the Minto site also requires a rezoning to allow a convention centre as a permitted use). Other known regulatory issues (e.g. height and set-back of hotel for VR, interface with the University and Sandy Hill for Minto) were not considered to favour one site over the other.

Potential leverage/spin-offs. Because of the immediate and long-term benefits to Rideau Street from the VR proposal, it was preferred over the Minto proposal.

Site Characteristics

Ease of land Assembly. As noted earlier, most of the Minto site is owned by the RMOC and the Federal Government. Preliminary discussions with Public Works and Government Services Canada have indicated a willingness to sell the federal lands, provided security and other issues of concern to DND can be resolved. The VR site is under one ownership (except for “air rights” over Daly Street), and for this reason was given a higher score than the Minto site.

Ability to meet the stated facility requirements for room sizes, parking, etc. Both sites have the potential to satisfy the building requirements for the convention centre, and were given an equal rank.

Ability of the site to provide flexibility in building layout. Because further design refinements will be required, the CCSC felt that the more flexibility inherent in the site, the better. The VR site is partly constrained because it is elongated to some extent and must be made to fit with the existing Rideau Centre. On the other hand, the Minto site is constrained at the ground level by the space requirements for the intersection of two Regional Roads and is constrained at all levels by the proximity of DND Headquarters. On this criteria both sites were rated the same.

Urban Design. The CCSC evaluated the quality of urban design possible for both sites. Although Minto’s proposal demonstrates substantial thought into urban design, it was felt that the extensive enclosed environment containing roads and a major intersection, was not a desirable urban design feature. The Minto site was therefore given lower marks than VR’s site.

Potential for Expansion. Both sites provide this opportunity and were given equal scores.

Ease of Construction. Because of the two Regional Roads intersecting on the Minto site, the CCSC felt that construction would be more difficult and disruptive to the community, resulting in a higher rating for the VR site.

Results

Based on the above evaluation process, the CCSC reached consensus that the Viking-Rideau site was clearly superior to the Minto site.

It should be noted that the Minto submission strongly supports the philosophy that the convention centre should be independent from non-convention uses. “It is not attractive to event planners to rent facilities which require delegates to pass through a non-controlled or public environment such as a shopping, restaurant or entertainment area, to get from a plenary or workshop session to a

luncheon or exhibition, in a time-limited manner.” The VR proposal, in contrast, has a higher degree of integration with the shopping and entertainment functions of the Rideau Centre. The CCSC agrees with the Minto statement, but believes that the VR site still has sufficient opportunity to provide private connections between the existing Congress Centre and the new convention centre.

FINANCIAL ISSUES: PROJECT COST AND LAND OWNERSHIP

At the outset Council must recognise costs discussed in this section or by the proponents are extremely preliminary. Ultimately the costs will be determined by the scope of the project, the level of finish required and the cost of construction. How that is financed will depend on negotiations with the land owners, the amount of contribution from senior levels of government and potentially the private sector.

Issues and the scope of the project include:

- How much parking is required/provided, how it is to be financed and to whom the parking revenues flow.
- The “linkages” project to build grade separated connections between major hotels, the existing and proposed convention centres, and other complementary attractions, is clearly related to this project. Is it to be financed separately or is it seen as part of this project.
- Viking Rideau has included a cost for the sale of its land in its costing, but has also indicated a willingness to consider a lease arrangement similar to the one for the Congress Centre. The advantages of each approach need to be evaluated.

Council previously resolved to “Support, in principle, the initiative to provide Ottawa-Carleton with a convention centre in the downtown core, subject to substantial support from senior levels of government”. The proposed Canada-Ontario Infrastructure Program is one way in which this might be done.

The KPMG study analysed the operational cost of the new convention facility. This work should be reviewed in light of the choice of site and the operational integration of the new and old facilities.

Council will be called upon to make a contribution to this project once it is scoped. Much work will be required to make sure that contribution is for an economically viable project, that the contribution is affordable and is supportable by revenue streams related to the project. Staff are sensitive to the financial issues and their analysis will form a major part of the next stage of this project.

CONCLUSION

The analysis carried out by the CCSC clearly points to the Viking Rideau site as the preferred site for a new convention centre in downtown Ottawa-Carleton. Much more work needs to be done relating to the scope of the project, its design and cost, economic viability and financing. This can only be carried out in partnership with the landowners. In the event a successful package cannot be put together with Viking Rideau, an option for Council in the future would be to return to the Minto site/proposal. However, the CCSC fully supports the Viking Rideau site as the preferred site.

COMMUNITY CONSULTATION

The views of the University of Ottawa, Action Sandy Hill and Ottawa LACAC were reported in the last report to Committee on 5 November, 1997. More recently Action Sandy Hill has written a second letter (distributed separately to the Committee). The letter expresses concern over whether expanded convention facilities are needed. However the letter indicates a preference for the Viking Rideau site should Council proceed with the project.

FINANCIAL IMPLICATIONS

These will be a major part of the next stage in the process.

*Approved by
N. Tunnacliffe
Planning and Development Approvals Commissioner*