

# 48 Water Street Overview

February 1<sup>st</sup> 2018



## Process Has Included:

- Varied types and opportunities for public consultation;
- Securing professional analysis and opinion;
- Extensive Council consultation and deliberation;
- Overall focus on how the community's prosperity could be supported and enhanced well into the future.

## Disposition Being Considered:

- Negotiation and sale to a sole source (the Stratford Festival), with permanent requirements for continued public access to and use of parking and green space, and community use of interior spaces.

## Key elements of the recommended sale to the Stratford Festival:

- A purchase price for the property of \$4.9 million (\$4 million for the land and \$900,000 for transition costs and recovery of the existing mechanical systems);
- An increase in on-site parking from the current 130 spaces to approximately 160-170 spaces. This excludes on-street parking. **The actual number of spaces will be established through the final site plan approval and building permit processes;**
- Continued use of parking by the public on an ongoing basis at no charge, subject to periods when designated parking is required by the Festival, and the registration of the public parking rights through a development agreement;
- An increase in publically accessible green space from approximately 31% of current property coverage to approximately 41%;
- Continued passive enjoyment of the property's green space by the public at no charge, including the extensive gardens proposed on the property, and registration of this right through a development agreement;
- Access to interior spaces for community uses (500 hours per year);
- A first right of opportunity to purchase the property in favour of the City of Stratford;  
and
- A City-initiated rezoning of the lands for the new theatre that would be built to specifically reflect the site specific use and form of development for a theatre and limited ancillary/accessory uses, including ongoing public use of the property.

# Property Transaction by the Numbers

## Purchase:

- \$4.9 million (includes \$900,000 for transition costs, instead of typical vacant possession requirement)

## Appraisal at “best and highest:”

- \$3.8 million

## Appraisal at “status quo” zoning and market demand:

- \$2.075 million

# Festival Funding Commitments

## Provincial Government:

- \$20 million

## Federal Government:

- \$20 million

## Other Commitments:

- \$25 million+

## TOTAL:

- \$65 million+

## Lease vs. Sale: How the recommendations were arrived at:

- Consulted Accredited Appraisers and Chartered Professional Accountants for information and analysis;
- Based on this information and analysis, as well as discussions with the Festival, sale is recommended over lease;
- However, the property is proposed to be encumbered by permanent rights for the public to use and enjoy, including:
  - Parking;
  - Open Space;
  - Use of interior spaces for community events (e.g. Kiwanis Music Festival).
- The City also secures the right to rezone this land with the Festival's concurrence, and the right of first offer;

**Consequently, the recommended transaction is a blend of Festival ownership and continued/enhanced permanent public use.**

## Decisions for Council to Consider tonight:

- Form of disposition of the property;
- Purchaser;
- A series of recommendations respecting the property transaction, transition measures, and an implementation plan;
- Passing of associated By-laws.

**Should Council approve the recommendations tonight, the following key next steps would occur:**

- Completion of a detailed Purchase Agreement;
- Completion of a Transition Plan;
- Completion of an Implementation Plan;
- Open house for the community to view the detailed site plan, and to interact with the site designers and City staff;
- Development approvals (including site plan approval and building permit issuance).

## **My sincere thanks to:**

- **The Community**
- **Council**
- **City Staff**
- **City Legal Counsel**