

NEW CITY HALL

BACKGROUND, RATIONALE AND OPTIONS

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Audit and Management Support Branch
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1. Introduction

The purpose of this report is to provide, in a very condensed manner, the background on the New City Hall project and to present the major areas where decisions are required. The report draws on a number of studies over the last three years.

2. Evolution of the New City Hall Project

City Council, at its meeting of December 21, 1983, approved that a Consultant Consortium, headed by Price Waterhouse Associates, be engaged to carry out a study and produce a comprehensive review of the Civic Administration's needs in the areas of accommodation, information and communications systems.

The study was completed in January 1985 and Price Waterhouse submitted their final report to Council entitled: Accommodation and Infocom Study. This report was approved by Council on February 10, 1985.

In relation to accommodation, their major conclusion was that the City's office accommodations are obsolete, inappropriate and inefficient. Price Waterhouse established that the City would need 366,797 square feet of usable area to meet its long-term needs, which represented an increase of 159,313 square feet, or 77% over the then existing usable area.

Shortly after the Price Waterhouse report, there was discussion by the former Council regarding the interest expressed by the United States to acquire Green Island for an Embassy site. On June 19, 1985, Council decided to "accommodate the City's space requirements on Green Island" and to notify the United States government that Green Island was not available for sale.

Other related and/or subsequent events included:

- an established \$50,000,000 budget for the new City Hall was approved by both City Council and the O.M.B. in late 1985;

- the firm of Gale and Ling Incorporated, part of the initial consulting consortium headed by Price Waterhouse, were engaged to update the original space requirements in February 1986. Their report, submitted in March 1986, suggested that the original estimates were understated by about 9.5%, due in part to recent and/or contemplated organizational changes. There was also some evidence of unequal application of space standards;
- in light of the above, the Chief Administrative Officer in March 1986, requested the Audit and Management Support Branch to update the estimates of City space requirements, taking into account organizational changes, and to review the application of workstation standards in order to ensure that they were applied consistently and equitably among the various organizational units; and
- about the same time, City Council expressed its wish to again explore the possibility of a joint facility with the Regional government. The Regional Council rejected this option, but the matter became an issue before the O.M.B. in October 1986. Pending the outcome of this, staff action on a separate City Hall was put on hold. The O.M.B.'s decision in December 1986 cleared the way for the Region to go ahead with their own headquarters building; this decision has been upheld by Provincial Cabinet. Other options for meeting the City's space requirements must now be explored.

3. The City's Space Requirements

As mentioned previously, in March 1986, the Audit and Management Support Branch (A. & M. S.) was asked to review and clarify the City's accommodation space requirements.

A. & M. S. completed their review in December 1986. Their report concluded that the present estimate of usable area needed to accommodate the City's long-term space requirements is 388,506 square feet, an increase of 5.9% over the Price Waterhouse estimate. This was based on the standards evolved by Price Waterhouse which were designed to accommodate the City's administration in an efficient way in a decent working environment (see Appendix II). The estimate contains a 10% allowance for long-term growth of the office elements.

The estimated requirements contained some 50,000 square feet for what are termed common usable areas. These contain all the meeting and public space in a City Hall, as well as provision for special facilities such as day care, fitness areas, etc. These are all non-standard items, in many cases discretionary, and will require considerable further thought and decisions before a design brief is finalized.

4. Build versus Rent

Given that the City needs considerably more space than it presently owns to meet its present and future requirements, the first broad question it needs to address relates to build versus rent. Obviously there are prestige arguments for the capital city owning its own City Hall, but what follows addresses the economics of the question.

Let's assume, strictly for the sake of comparison, that to meet its long term needs the City has to provide about 238,000 square feet of additional space (see page 18). The following figures compare the costs of building and renting this space over a 20 year period.

Building

a) Total cost in 1987 dollars:

Land	\$ 8,000,000
Construction	<u>37,000,000</u>
	<u>\$45,000,000</u>

To make this comparable to renting the present value of the costs of services normally paid for by a landlord ought to be added. Based on \$5 a square foot, escalated at 4% p.a., this would amount to \$16.6 million. The total present value of the building option is then \$61.6 in 1987 dollars.

d) Total cash outflow over 20 year period:

* Total debt repayment	\$105.7 million
Total Landlord Operating Costs	<u>43.9 million</u>
	<u>\$149.6 million</u>

* Assuming 10% borrowing rate for 20 year amortization

Renting

Comparative rental costs for a Class A building are illustrated below. The figures are based on present 1987 gross rental costs of \$29 a square foot which includes operating expenses. The estimates have been escalated by 4% a year for inflation, applied to 5 year rental periods.

Using this cost projection for 236,000 square feet of space, the table below illustrates the cash outflow for the 20 year period and also the present value of the payments made in 1987 dollars, assuming a 10% discount rate.

<u>Year</u>	<u>Rental Payments</u>	<u>Total 5 Year Rental Payments</u>	<u>Total 5 Year Rental Payments (1987 \$)</u>
1990 - 1994	\$ 9,600,000	\$ 48,000,000	\$ 30,100,000
1995 - 1999	11,700,000	58,500,000	22,800,000
2000 - 2004	14,300,000	71,500,000	17,200,000
2005 - 2009	17,300,000	<u>86,500,000</u>	<u>13,000,000</u>
		<u>\$264,500,000</u>	<u>\$ 83,100,000</u>

A comparison of the two options reveals the following:

Present values:

Building	\$61.6 million
Renting	<u>\$83.1 million</u>

Total cash outflows over 20 years:

Building	\$149.6 million
Renting	<u>\$264.5 million</u>

A number of other points ought to be made in reviewing these figures.

- a cost for land was included in the build option. However, if the building were to be on Green Island there would be no cash outflow for land. In any case, expenditure on land usually represents an investment which is recoverable in the long-term;
- municipal taxes in the order of \$3 a square foot are payable on rented accommodation; three quarters of these taxes are passed on to the Region and the School Boards. No municipal taxes are payable on a City owned building;
- the figures above compare a 20 year period over which the debt on a new building is amortized. After this period no further debt charge would be paid; however, rental costs go on indefinitely; and
- no parking costs have been included; they are assumed to be roughly equal under either option.

Based on this broad analysis, building is clearly the cheaper option over long-term so long as we keep the comparison fair; i.e. we consider the rental costs versus the building costs of the same quality of buildings.

5. Centralisation versus Decentralisation

Presently, the City's administrative staff is operating from fourteen different locations. A fundamental decision that has to be made is the degree to which administrative staff would be centralized or decentralized in our future accommodation scenario. Price Waterhouse Associates concluded in their report that "in the absence of strong reasons for a particular organizational unit to be located elsewhere, all City administrative employees should be brought together in one building."

Even if we do not accept the Price Waterhouse conclusion, it is difficult to defend our present arrangements whereby major parts of the organization are in four scattered rented buildings. Some bringing together of the pieces of the organization is necessary. It could be a practical option to consider putting the majority of City staff in two buildings rather than one as proposed by Price Waterhouse. This would mean the acquisition of a second substantial administrative building.

Each arrangement offers distinct advantages and disadvantages. Some advantages of having a highly centralized operation are the following:

- it would foster interaction;
- it would reduce administrative costs such as data communication lines, internal mail service and staff travel;
- it would provide equal access to facilities such as an employee fitness centre or daycare centre which may be incorporated in a New City Hall;
- it would facilitate monitoring of performance by elected representatives and senior officials;
- it would minimize the risk of public confusion about where to obtain services; and
- it would mean lower operating costs.

In contrast, some selling points for decentralization include:

- flexibility in the building quality of a second administrative building (i.e. could be Class B instead of Class A, therefore less costly);
- less expensive to do surface parking at second site as opposed to underground parking of centralized site;
- with all services centralized, location could become overly congested with traffic;
- for some City operations, there are no compelling reasons for bringing them into a building that is predominantly administrative;
- if the City were to build a second building off Green Island it could do so in a manner that would permit future expansion for long-term growth needs; if the City is to centralize on Green Island, it will need to build for its long-term requirements now; and
- a second administrative building could be used for relocation of existing City Hall staff when renovation or demolition begins on the present building.

Not all of these pros and cons can be quantified in financial terms. However, the preliminary analysis that we have done comparing the quantifiable aspects of a one major building versus a two building scenario indicates that the financial differences are not all that great (see page 21). In these circumstances, centralization to the degree it is practicable, would seem to be the preferable option.

6. Retention versus Demolition of Existing City Hall

One of the many decisions yet to be made is whether the existing City Hall should be retained. There are several key factors which enter into the equation on the future of the building.

Ottawa City Hall was officially opened by Princess Margaret on August 1, 1958. The building was designed by the Montreal architectural firm of Rother, Bland and Trudeau in what is known as the "International Style". In 1959 the architects received the prestigious Massey Medal for Architecture for the design of City Hall and, later that year, twenty leading architects voted it one of eleven most significant post-war Canadian buildings.

City Hall is not an old building. Yet, despite its youth, it is part of the history of Ottawa. Its retention would obviously lend to the historical continuity of Ottawa's municipal government. It can be argued that, as time passes, City Hall's prominence will increase and it will be more easily recognized as the heritage building that it is.

Retention of the existing City Hall means renovation. Constructed in 1958, the City Hall building shows its age. It has serious defects. It does not comply to present day codes and the normal service life of the mechanical and electrical systems has expired. In addition, the geometry of the building does not lend itself to efficient office layout.

Integration of the building into any expanded structure would ideally include detailed attention to securing and improving the building envelope systems of precast panels and glass windows, strengthening the building structure to new code earthquake and snow loadings, and completely upgrading or replacing the mechanical and electrical systems to achieve the more efficient working environment available from today's technology.

The present City Hall has a gross building area of 121,728 square feet as well as 170 underground parking spaces. An estimate provided by Heylar and Associates in February 1988 stated it would cost \$19,288,400 to bring the building up to today's standards and give it a life expectancy comparable to a new building. A late report from J.L. Richards indicated this estimate could be reduced. Physical Environment staff suggest that \$16.5 million would be adequate.

By comparison a newly constructed building of Class A nature would cost approximately \$17 million.

There is little difference in these options from a financial point of view, but it should be recognized that renovation will carry over one deficiency of design the difficulty in laying out the space efficiently for office purposes. However, it may be difficult to explain to the public the demolition of an important building that clearly can be made to have a useful life.

The \$16.5 million estimate above is for a full renovation of the building. A possible option to this would be to carry out only those works that would be mandatory under the Building Code or directly related to mandatory items under the Code.

The estimated cost for such works is about \$8.9 million. However, these works would not include such major items as new elevators, removal and replacement of windows, new electrical installation, new partitioning and floor finishes.

Given that we are dealing with a long-term solution to the City accommodation problems, it would be short-sighted to limit the renovation to those items required by the Building Code.

7. Expansion on Green Island

On June 19, 1985, following the United States' expression of interest in the Green Island site, Council decided that it wished "to accommodate the City's space requirements on Green Island". In the Spring of that year, both public and staff had indicated that Green Island was the preferred site for a new City Hall.

Green Island is a unique location and is an area which exhibits little of its one and one half centuries of intensive use. Expanding on Green Island will at least triple the existing floor area of the existing building. Fortunately the original architects anticipated this need for eventual expansion and City Hall was sited on Green Island so as to leave ample room for expansion behind the existing building. Given the high visibility of the site, its closeness to the New Edinburgh community and its pastoral qualities, any additional construction would have to be planned to respect urban design considerations on zoning and massing. Urban design guidelines have been prepared by the Department of Community Development to help ensure that any expansion of the existing building will complement its architectural merits and landmark qualities.

Under the existing zoning, the site can accommodate approximately 362,874 square feet of development. Given that the current projections for usable floor space in the expanded City Hall are in the order of 340,000 square feet, the present zoning appears to be adequate.

Several other technical studies of the Green Island site show that it has the capacity to accommodate all projected requirements. A preliminary geotechnical investigation by Golder & Associates indicated the feasibility of multi-level basements. A 30 metre set-back from the river is recommended and a positive drainage system would be required to control sub-surface flow to the underground levels. The limestone bed-rock is expected to be adequate to support a multi-storied structure.

It has been determined that portions of Green Island would be subject to flooding during what is referred to as the 100 year design storm. However, it is understood that the Rideau Valley Conservation Authority will likely approve expanded development on Green Island provided no substantial encroachment within the flood plain is proposed. In the event that a substantial encroachment on the flood plain is proposed, it will be necessary to undertake hydraulic studies to define the impact on flood potential upstream and downstream of the encroachment and, if required by the RVCA, to identify modifications to the river channel to compensate for the encroachment.

DeLCan De Leuw Cather reported on traffic and parking guidelines. From the perspective of site accessibility and access/egress capacity, they indicated that 1000 to 1300 parking spaces could be accommodated on the site providing that traffic signals were installed at the existing connection to Sussex Drive, that this connection was widened to two outbound lanes, that the Minto bridges connection was maintained and that on-site parking was properly designed. Present proposals envisage a maximum of 650 parking spaces.

Clearly then Green Island is a good site from a technical point of view. It is also a site with significant unused economic potential. If the City is to retain the site as part of its building scenario it would make sense to have a considerably larger building than at present. Full development of the site is cost effective; expansion on the Island would involve no additional land costs.

If it is decided to expand on Green Island, a further decision would be required about whether or not City Hall operations can continue on the Island during the construction/renovation period. This has significant financial implications.

Remaining on Green Island is technically possible with a two-stage arrangement whereby the construction of the extension would precede the renovation of the

existing building. During construction, City Hall occupants would remain where they are. On completion they would move to the extension during the renovation of the City Hall building. This would involve a prolonged period of disruption and discomfort to staff and public requiring special arrangements for parking and access. Conditions might be difficult but, with careful management, would not be intolerable.

There are other options which would involve moving staff off Green Island. We could move City Hall operations to rented space during construction/renovation. This would decrease the timeframe, allow a more economical contractual arrangement, minimize disruption and discomfort to staff and public and would give more design latitude for the final built structure on Green Island. It would be expensive. To rent 120,000 square feet of Class A space downtown could cost as much as \$11,700,000 for 3 years, which is likely to be the minimum period for which space could be leased. Space may also be hard to find.

Alternatively, if the overall accommodation includes a second administrative building in the order of 120,000 square feet, we could build this first and move City Hall staff to that location during construction/renovation on Green Island. However, the location of such a second building, which is likely to be well outside the central area of the City, may be unsuitable for a City Hall operation for a number of years.

These transitional considerations arise from any decision to expand on Green Island. Locating elsewhere would avoid these problems. However, given the uniqueness, the municipal identity and the prestige of the site and its development potential, expansion on Green Island is suggested. Also, despite the inconvenience and disruption, continuing City operations on Green Island during construction is practical and cost-effective (see Chart on next page).

EFFECT OF TRANSITION ARRANGEMENTS ON TIMELINES AND BUDGETS

Building Option	Transition Arrangement	Time (Years)	Budget Variables			
			Rental Costs (\$000)	Escalation (\$000)	Construction Costs (\$000)	Rental Savings (\$000)
						Total (\$000)
1. One building on Green Island	a. Stay on Green Island during construction/renovation	4 1/2				-
	b. Move off Green Island to rented accommodation	3 1/3	11,700	(790)	(700)	(1,100)
						9,110
2. Two buildings, large second building off Green Island	Build administration building first, move in during Green Island construction/renovation	4 1/4	-	2,500	-	900
						3,400

8. Retention versus Disposal of Other City Owned Buildings

Apart from City Hall, the City now has administrative staff in thirteen other buildings, nine of which it owns. Decisions are required on which of these nine buildings should be retained for administrative use.

In the case of four of the buildings, there is little question that the present users should stay with their operations outside the main administrative building(s). These are:

- a) Bayview Road
- b) Fire Headquarters
- c) Civic Centre
- d) Billings Estate

In the case of the Clarke Street building, there is little rationale for retaining it as an administrative unit. Being adjacent to the St. Laurent Fire Station, its disposition should be considered in conjunction with that site.

For the remaining four buildings, detailed decisions on their retention are required.

Ballantyne Building

The present occupant is the MIS Branch of the Finance Department which should be relocated in any new City Hall near to its major users. The Ballantyne building is in poor condition and needs major renovation even to preserve its usefulness for five or so years. The site is fairly valuable, worth about \$1.18 million, and could accommodate a larger building. Given that there is no unique features here, there is no compelling reason to retain the site.

Stanley Avenue

The building presently houses the City Archives and has been specially adapted for archival storage. Given its proximity to Green Island there are no operational problems in continuing to use the building for its present purpose. There is room for some expansion on the site. The value of the land for housing purposes is in the order of \$486,000. It would cost a great deal more to accommodate the City Archives in a new City Hall. The building should be retained.

St. Peter's School

This is now a multi-purpose centre with 12,090 sq.ft. of City office use for the Training Centre and Translation Services of the Department of Human Resources. The major consideration here is the long-term plans for the building and the site as a whole; the fact that some office accommodation is presently located there is relatively peripheral to this. There has been considerable discussion regarding the future use of this space for a community health clinic, funded through the Province. However, the location is perfectly suitable for an off-site Training Centre, and this function should remain there, at least in the interim. Any freed-up space could be rented out at a fairly low rent in the order of \$5 a square foot.

Hopewell Avenue

The building provides 10,025 square feet of space and partially accommodates the Housing Department and City Living. It is in reasonable condition. The land and building has an estimated value of \$565,000.

Housing Department and City Living need additional space immediately which is presently met by using portable structures. The Commissioner has brought forward a proposal to expand the existing building to meet Housing's and City Living's long-term requirements. This has the following advantages:

- it could be carried out in the next year;
- it would be considerably cheaper than renting space in the interim and eventually accommodating Housing and City Living in City Hall; and
- it would keep Housing and City Living together, which is important for operation efficiency and control.

The Commissioner also points out that, if Housing Department and City Living do end up being included in the new City Hall, it is unlikely that City Living would be able to afford its full share of the rent and would be looking for a sizeable annual grant from the City to help offset the cost.

The financial aspects are as follows:

Cost of space to accommodate Housing and City Living in City Hall	\$2,900,000
Interim Rental Costs for say, 5,000 square feet for 3 years at \$24 a square foot	360,000
Less estimated sale value of present building	(565,000)
	2,695,000
As compared to	
1987 cost to construct expansion at Hopewell	<u>1,300,000</u>
Estimated saving in retaining and expanding Hopewell	<u>\$1,395,000</u>

On financial grounds, Hopewell should be retained and expanded. The counter argument revolves around the administrative implication of leaving a significant Department outside the main building.

9. Building Scenarios and Costs

Building Scenarios

The total long-term usable area required for the City's administration is in the order of 388,500 square feet. If we retain the existing City owned buildings suggested in the previous section, the following picture emerges:

	<u>Square Feet</u>
Total Requirement	388,500
Less: Existing City Hall	97,400
Other Buildings to be Retained	44,700
Proposed Hopewell Extension	<u>10,000</u> <u>152,100</u>
Additional Usable Area Required	<u>236,400</u>

Two scenarios are developed below to provide this additional space. Both take for granted the renovation of the existing City Hall.

Scenario 1

Scenario 1 is based on centralizing as much as possible on Green Island; only about 14,500 square feet of space for Recreation would remain outside, with the remaining 221,900 square feet being accommodated in City Hall extension. This scenario brings the advantages of centralization and it fully utilizes the potential of Green Island.

In terms of gross building area, the extension would be about 277,400 square feet. The total building on Green Island would then be more than triple the size of the existing City Hall and would accommodate about 84% of the City's administrative staff. Parking for 650 cars would be provided, 500 indoors and 150 outdoors.

The City Hall extension does not include about 14,500 square feet required by Recreation for seasonal workers and equipment storage. This is not an operation that is suitable for a City Hall and, moreover, it works best in a location that is easily accessible by public transport from all areas of the city. It is presently located in rented space on Carling Avenue. For the purpose of costing, it has been assumed that the operation would remain in rented space.

Based on the assumption that the extension would be built first and current occupants of City Hall would move in while that building was renovated, it is estimated this scenario could be completed in about $4\frac{1}{2}$ years from the point of decision at a capital cost of \$60.8 million in 1987 dollars.

Scenario 2

This scenario is a two building scenario. It envisages an extension at the rear of City Hall of about 175,300 square feet (gross) and a second administrative building of about 126,000 square feet (gross) off Green Island.

There are advantages to this option. First, as shown below, it is slightly less expensive; the costs of a site are offset by savings in the construction costs of both building (Class B) and parking spaces (surface or above grade). Secondly, it would lessen the intensity of the use of Green Island; the City Hall expansion would be considerably smaller than in Scenario 1 and there may be benefits in this from the point of view of both building design and traffic. Thirdly, the building could be designed to permit future expansion if this were necessary. Indeed, it would be possible to defer building to meet some of the future requirements incorporated in our present space estimates, although this has not been factored into the costs below. Lastly, it would permit transition arrangements that would avoid the inconvenience and disruption of City Hall operations remaining on Green Island during work on City Hall expansion/renovation.

Although this scenario would be a considerable improvement over the present configuration, it would not achieve anywhere near the centralization of City operations envisaged in Scenario 1. 58% of the City's administrative staff would be on Green Island and 31% in the second building. Parking for 445 cars would be provided on Green Island (295 indoors, 150 outdoors) with 240 outdoor spots at the second building.

Although work on Green Island would follow the completion of the second building, the overall timing is estimated to be $4\frac{1}{2}$ years, a little shorter than the other scenario. This is because the contractor would be able to work simultaneously on both the extension and renovation aspects of City Hall. The capital cost, in 1987 dollars, for both buildings is \$59.9 million.

The overall effect on the distribution of space of these scenarios is illustrated in the table below.

	No. of Bldgs.	Total Space Available Sq.ft.	City Hall %	Second Admin. Bldg. %	Other Owned Bldgs. %	Rented Space %
Existing	14	248,580	42	-	36	22
Scenario 1	9	388,500	82	-	14	4
Scenario 2	9	393,000	60	26	14	-

Capital Costs and Budget Requirements

More detailed costings on these scenarios are set out below.

Budget and Capital Costs Summary

	Scenario 1	Scenario 2
City Hall Renovation	\$16,500,000	\$16,500,000
Green Island Extension	43,327,900	30,017,500
Administration Building	-	13,395,200
Rented Space	949,900	-
Capital Costs 1987 Dollars	60,777,800	59,912,700

The above figures do not reflect credits for properties now in use for administrative accommodation which would no longer be required for this purpose. These are:

Ballantyne	\$1,180,000
Clarke Street	\$ 304,000
St. Peter's	\$ 292,000*

* Capitalized value of potential rent obtainable for space freed up

OMB approval for \$50 million gross, \$49.4 million debenture financing has already been given for this project. This was based on broad estimates in 1985 dollars generated by Price Waterhouse which included only \$7.0 million for the renovation of the existing City Hall. Both the current estimates above are in 1987 dollars and contain an additional \$9.5 million for the renovation of City Hall. Obviously either of these would require additional debenture financing. The request to the OMB should cover not only the increased capital costs, which are computed in 1987 dollars, but should also provide for cost escalation between 1987 and the time the various contracts are let. The amount of the escalation depends on the timing of such contracts and for the scenarios above are estimated as follows.

	Scenario 1	Scenario 2
Escalation	\$ 4,434,200	\$ 6,909,200
OMB Authority	\$64,262,100*	\$66,821,900

* Does not include rented space

The cost escalation for Scenario 2 is considerably higher because the major part of the total capital costs relating to City Hall expansion/renovation would be delayed until after the completion of the new administrative building.

The original \$50 million dollar project put the projected ratio of capital formation expenditures to total expenditures slightly over the 20% mark until 1990. The higher debenture requirement now indicated would increase this ratio and delay the recovery to the 20% guideline until 1991.

Impact on Operating Budget

There are three significant elements of this project that will have a lasting impact on the City's operating budget. First, debt charges will increase because of debenture financing. Secondly, building operating costs will increase because there will be considerably more space to operate and maintain. However, this increase will not be proportionate to the increase in space; there will be efficiency gains to be made. Thirdly the rented space the City now has will no longer be required. Obviously there are many assumptions to be made in projecting this impact; our best estimate is as follows.

	<u>Construction Period</u>				<u>Subsequent Years</u>			
	1988	1989	1990	1991	1996	2001	2006	2011
Net Additional								
Costs (\$millions)	1.9	3.8	5.3	7.2	6.5	6.1	5.5	(3.0)
Impact on Mill								
Rate (Mills)	1.22	2.44	3.40	4.62	4.17	3.92	3.53	(1.93)
Impact on Taxes								
(Average House)	\$ 8.54	17.08	23.80	32.34	29.19	27.44	24.71	(13.51)

The full impact of both additional costs and rental savings does not show until 1992. Over time, as the impact of projected increases to rents begins to show, the net additional cost decreases.

The figures above compare the costs of our present accommodation situation with what would happen if we build new accommodation as proposed in the scenarios earlier. This is misleading to the extent that it might imply that continuing with our present accommodation is a viable, defensible option for the future. It is not. As Price Waterhouse clearly pointed out, the City's office accommodation are obsolete, inappropriate and inefficient. If additional space is not built it will have to be rented and additional costs will be incurred in any case.

10. Artscourt

The possibility has been raised that Artscourt might enter into the City's accommodation scenario. City Council, on 5 November 1986 instructed staff to explore the option of a joint facility for both the arts community and the City on the Court House/Police Station site and report back within 120 days.

At C. S. & D. Committee on 8 October 1986 the question of the City occupying the office element of the proposed Artscourt building was discussed, including whether or not the City should lease or own the office component. Clearly what the Ottawa Artscourt Foundation is interested in is the City as a tenant so that the Foundation can secure financing and use the revenues produced to support the arts activities. City ownership would remove any benefit of the office component from the Foundation.

The Foundation's present plans are to build in the order of 83,000 square feet of usable office space. The advantage to the City of occupying this space would be to provide a downtown presence. From most other points of view it would not make sense as part of the City's long-term accommodation scenario. As demonstrated earlier, leasing is likely to be more expensive than building and being downtown would preclude the advantages of a second site on cheaper land with surface parking potential.

11. Organizational Arrangements

The foregoing summary has outlined a series of decisions that have to be made fairly quickly and there will be many subsequent decisions to be made over the next few years in carrying through an accommodation solution. These decisions will require political commitment and support at many stages and it is appropriate to consider the arrangements to handle this major project. The RMOC set up a special Regional Headquarters Committee to handle all matters relating to their Headquarters project. However, a special ad-hoc committee is not essential so long as there is clear focus and leadership for the project from one of the existing standing committees of Council. It is therefore suggested that the management of the New City Hall project and all accommodation matters throughout the period to the completion of the project should be handled by the Policy, Priorities and Budgeting Committee. Suggested Terms of Reference relating to this are set out in Appendix III.

Secondly, as mentioned above, the amount of detail surrounding a project of this magnitude is overwhelming and is now at the stage where full time coordination is required if the project is to be successfully and expeditiously pursued. This leads to a discussion around identifying a Project Manager and support staff for the New City Hall project.

The main tasks of this group would be to:

- establish an overall project plan;
- maintain the decision making process throughout the project;
- support the administrative and political leadership of the project; and
- be the key contact with all outside consultants, architects, etc. throughout the project.

This need is addressed in the draft report of the Commissioner of Physical Environment on the implementation of the New City Hall project.

APPENDIX I

More detailed information on points contained in this report can be found in the original document(s). They include:

1. Price Waterhouse Associates, Accommodation and Infocom Study.
2. Audit and Management Support Branch, Accommodating the City's Administration, Space Requirements: Possible Building Scenarios.
3. DeLCan De Lewis Cather, Traffic and Parking Guidelines.
4. Golder & Associates, Preliminary Geotechnical Investigation.
5. Community Development, Urban Design Considerations on Zoning and Massing.
6. Community Development, Historical and Architectural Considerations of City Hall Building.
7. J.L. Richards, Engineering Assessment of City Hall Building, Exterior Wall and Footing Investigation.
8. Heylar & Associates, Estimated Cost of Restoration of Ottawa City Hall Building.
9. Community Development, Public and Staff Comments regarding Design Considerations.
10. Rideau Valley Conservation Authority, Flood Plain at Green Island.
11. Finance Department, Financial Impact of the New City Hall.

APPENDIX II

PRICE WATERHOUSE ACCOMMODATION STANDARDS

II.1 WORKSTATION STANDARDS

II.2 SUPPORT AREA STANDARDS

II.3 CIRCULATION STANDARDS

II.4 COMMON USABLE AREA STANDARDS

APPENDIX II.1

WORKSTATION STANDARDS

TYPE	FUNCTION	USER(S)	CLOSED	OPEN	NET SQ.FT.	RMC STUDY
A	Elected Representative	Mayor	0		1,039	625 Chairman
B		Alderman	0		180	
C	Management	Chief Administrative Officer	0		360	CAO 300
D		Commissioner, City Clerk, City Solicitor, Fire Chief	0		300	
E		Incl. Deputy Commissioner, Deputy Fire Chief, Deputy City Clerk	0		270	260 Commiss.
F		Director	0		252	
G		Incl. Manager, Chief Engineer, Chief Architect, Head Chief Surveyor, Administrator, Coordinator	0		160	200 Director
						150 Manager
H	Support	Incl. Superintendent, Planner, Architect, Engineer, Officer, Surveyor, Manager, Chief Inspector	0	0	144	130 Planner/ Engineer
I		Incl. Plan Examiner, Officer, Planner, Supervisor, Manager, Engineer	0	0	120	110 Project Officer
J		Incl. Supervisor, Officer, Coordinator, Manager, Investigator, Administrator, Planner	0	0	108	90 Draftsmen
K		Technologist		0	80	70 Assistant
L		Incl. Officer, Inspector, Assistant, Administrator		0	78	
M		Incl. Inspector, Assistant, Reporter, Telephone Operator		0	48	
N		Clerical	Secretary, Receptionist		0	72
O	Clerk, Word Processor, Typist, Receptionist			0	48	Clerk 30

APPENDIX II.2

SUPPORT AREA STANDARDS

Support area standards have been developed based on a range of group sizes. The standard recognizes that the area per person for each component of support space tends to decrease as the group size increases.

Support Area Breakdown (Sq.Ft./Person)	1 - 10	Variations 11 - 25	By Group Size 26 - 49	50 + Over
Storage/Filing/Coats Worktable/ Work Equipment	37	24	21	19
Meeting	23	15	13	11
Reception/Lounge	28	19	16	14
TOTAL	88	58	50	44

APPENDIX II.3

CIRCULATION STANDARDS

1. For circulation standards around workstation usable area, allow for 38 sq.ft. per person.
2. For circulation standards around storage usable area, allowance is based on 15% of total usable area.

APPENDIX II.4

COMMON USABLE AREA STANDARDS

1. Committee Rooms - 25 sq.ft. / Person
2. Corporate Conference Room - 30 sq.ft. / Person
3. Council Chamber
 - 140 sq.ft. / Councillors
 - 25 sq. ft. / Staff and Press
 - 15 sq. ft. / Public
4. Cafeteria - 15 sq. ft. / Person
 - Seating capacity is based on 33% of Total User Population
5. Cafeteria Kitchen & Servery - 45% of Dining Area

APPENDIX III

TERMS OF REFERENCE OF THE POLICY, PRIORITIES AND BUDGETING COMMITTEE

IN RELATION TO CITY HALL

The Policy, Priorities and Budgeting Committee shall be responsible directly to Council for all matters relating to the accommodation of the City's administration until such time as the new City Hall and off-site administrative building are completed.

This responsibility shall include making recommendations to Council on the following:

- a) all matters, including architectural selection, relating to the planning and execution of:
 - i) an extension to the existing City Hall
 - ii) the renovation of the existing City Hall
 - iii) the renovation or extension of other existing City owned buildings;
- b) interim and transitional accommodation arrangements during construction/renovation;
- c) all matters relating to the leasing of accommodation; and
- d) broad allocation of space within City buildings.