



**City of Kingston
Report to Council
Report Number 16-213**

To: Mayor and Members of Council
From: Lanie Hurdle, Commissioner, Community Services
Resource Staff: Sheldon Laidman, Director, Housing & Social Services
Date of Meeting: July 12, 2016
Subject: Permanently Close, Declare Surplus and Dispose of Municipal Property being 1316-1318 Princess Street and Unopened Road Allowance off Hillendale Avenue

Executive Summary:

The City of Kingston acquired the lands municipally known as 1316 and 1318 Princess Street through the Affordable Housing Land Acquisition and Disposition Program for a future affordable and market housing development. To improve access, connectivity and marketability of the site, City staff are recommending that the unopened road allowance abutting the eastern property line of 1316 Princess Street with frontage on Hillendale Avenue be permanently closed and added to the site for future redevelopment.

A zoning by-law amendment for the 1316-1318 Princess Street redevelopment site will be pursued prior to the disposal process for this site. The disposal will be by way of a Request for Proposal. The purpose of the zoning by-law amendment is to establish zoning provisions for the site that will implement the Official Plan's land use planning policies for the Princess Street Corridor. The concept plans prepared in support of the forthcoming zoning by-law amendment application contemplates a two building option. The rationale for this approach is based on the uniquely large depth (approximately 138 metres) of the property which abuts existing low and medium density residential development.

City staff and the project's consulting urban planning/design and engineering team considered the incorporation of the unopened road allowance as a strategic opportunity to support the redevelopment opportunities for the site with the potential for connections between existing adjacent residential development and the future redevelopment of 1316-1318 Princess Street.

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Given the potential for a multiple building project at 1316-1318 Princess Street, City staff are recommending the redistribution of social housing units within this development to support the direction of the Council approved Rideau Heights Regeneration Strategy. Considering the site's central location and proximity to commercial goods and service retailing, public amenities, and high-frequency transit services, the site is ideal for the creation of a mixed-use and mixed-income housing development. A further assessment of opportunities to establish redistributed social housing units within the redevelopment of the site is included as a recommendation of this report.

In support of the unopened road closure incorporation within the 1316-1318 Princess Street redevelopment lands, an analysis of the Hillendale Avenue secondary access was completed in relation to land use planning and urban design policies of the Official Plan and design directions established within the City's Site Plan Control Guidelines and Urban Design Guidelines. The report's analysis of the local traffic system and adjacent land uses concludes a secondary driveway access via the Hillendale service road allowance will not have significant adverse traffic impacts on the local traffic system and existing residential properties along Hillendale Avenue while adding to the development potential of the site. The evaluation of the modest traffic impacts on Hillendale Avenue indicates acceptable service levels will be maintained.

Before the lands can be sold, both the unopened road allowance and the properties at 1316 and 1318 Princess Street must be declared surplus to municipal need in accordance with the City's Disposition of Real Property Policy. Based on the objectives of the Affordable Housing Land Acquisition and Disposition Program, the policies of the City's Official Plan and design guidelines, and the limited anticipated traffic impacts on the local roadway system, the proposed closure and inclusion of the service road allowance within the 1316-1318 Princess Street redevelopment lands is appropriate and represents good land use planning and community design principles.

Recommendation:

That Council declare surplus to municipal need and dispose of Part Lot 18, Concession 2, Parts 1-5 on Plan 13R-20354, subject to FR592814, except easements therein to City of Kingston, being all of PIN 36076-0027, further identified municipally as 1316 Princess Street; and

That Council declare surplus to municipal need and dispose of Part Lot 18, Concession 2, as in FR629933, together with FR703280, in the City of Kingston, County of Frontenac, being all of PIN 36076-0019, further identified municipally as 1318 Princess Street;

That Council declare surplus to municipal need and dispose of Service Road on Registered Plan 360, being all of PIN 36076-0028, having 50 feet of frontage on Hillendale Avenue and lying to the north of 180 Hillendale Avenue;

That a by-law be presented to Council to permanently close the highway described as Service Road on Registered Plan 360, in the City of Kingston, County of Frontenac;

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That Council direct staff to include the service road allowance abutting 1316-1318 Princess Street within the zoning by-law amendment process to support the potential establishment of a secondary private driveway access to the 1316-1318 Princess Street redevelopment site and offer the closed service road allowance lands for sale within the Request for Proposals disposition process for 1316-1318 Princess Street;

That Council direct City staff to consider and propose opportunities for the redevelopment of 1316-1318 Princess Street to support the social housing relocation directions outlined within the Rideau Heights Regeneration Strategy as part of the Request for Proposal (RFP)/disposition process.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

Lanie Hurdle, Commissioner, Community Services

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Denis Leger, Corporate & Emergency Services	Not required
Jim Keech, President and CEO, Utilities Kingston	Not required
Desiree Kennedy, Chief Financial Officer & City Treasurer	Not Required

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Options/Discussion:

The City purchased 1316 and 1318 Princess Street through the Affordable Housing Land Acquisition and Disposition Program. The purpose of the Program is to acquire strategic sites within the city and subsequently dispose of the lands at 75% of the acquisition costs to facilitate the inclusion of affordably priced housing within the development of the property. The subject properties were desirable for acquisition under the program due to their close proximity to local express transit stops, commercial goods and service retailing, employment locations, and other public services and amenities.

As the administrator of the Land Acquisition and Disposition Program, the Housing and Social Services Department has hired a consultant to pursue a zoning by-law amendment to permit the redevelopment of 1316-1318 Princess Street in a manner consistent with the objectives of the affordable housing funding program and with the Official Plan's policy direction for the Princess Street corridor to become a higher-density mixed-use residential-commercial corridor serviced by high frequency transit. Upon obtaining the required municipal planning approvals, it is the intent to dispose of the site through a competitive Request for Proposals process.

Due to the relatively large size (1.05 hectares or 2.6 acres) and depth (approximately 138 metres or 452 feet) of the 1316-1318 Princess Street redevelopment site, the concept planning in support of the zoning by-law amendment application contemplates a two building option. The rationale for this approach is based on the uniquely large depth of the property which reaches into and abuts existing low and medium density residential development. The concept planning design directions for higher-density and taller building heights towards Princess Street supports the Official Plan's policy direction for the Princess Street Corridor. Considering the potential multiple building potential at 1316-1318 Princess Street, City staff are recommending that the site be considered for the incorporation of social housing units to be redistributed as a key objective of the Rideau Heights Regeneration Strategy. Given the site's central location and proximity to commercial goods and service retailing, employment areas, public amenities, and high-frequency transit services the site is ideal for the creation of a mixed-use and mixed-income housing development.

Considering the opportunity for development across the full depth of the property, City staff and the project's consulting urban planning/design and engineering team are recommending the incorporation of the Hillendale Avenue service road allowance as a strategic opportunity to support the redevelopment potential of the site and provide for appropriate connections and integration with existing adjacent residential areas and the future redevelopment of the 1316-1318 Princess Street site.

The unopened road allowance was established in 1946 by Reference Plan 360 and is described as "Service Road" on the plan. The 15.24 metres (50 foot) wide by 67 metres (220 foot) long segment was never established for public purposes nor are there any municipal services located in the road allowance. A circulation to internal departments has identified no municipal need for the service road allowance. A letter indicating the City's intentions to use the road allowance

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land as part of the housing redevelopment project was provided to each of the three adjacent private landowners in January. A fourth adjacent property is owned by Kingston Hydro at the corner of Princess Street and Hillendale Avenue. The details of the location are shown in Exhibit A.

The use of the closed road allowance for affordable housing complies with the “Housing First”¹ objective of Section 9.9.4 of the Official Plan which states “Land that is deemed surplus to the City’s needs will be considered first for affordable housing, if the location, size and site characteristics are appropriate for residential development, and the site is in a residential area where supporting facilities and amenities are available.” A secondary access could provide for flexibility in design considering the broader redevelopment site while allowing for functional integration and connectivity with adjacent existing residential development which is a key policy of the Official Plan (Policy 2.6.8c) and Urban Design Guideline directions (Section 4.2b).

As part of staff’s review of the potential Hillendale Avenue secondary access, a report was commissioned from the land use planning/urban design and civil engineering consulting team assisting with the zoning by-law amendment process. Within the report’s supporting analysis a land use planning/urban design policy review and local traffic impact assessment was conducted in relation to the two concept plans which have been developed in support of the zoning by-law amendment application. Specifically, the report analyzed the appropriateness of the Hillendale Avenue secondary access in relation to:

1. City of Kingston Official Plan;
2. City of Kingston Urban Design Guidelines;
3. City of Kingston Site Plan Control Guidelines;
4. Local Traffic Impact Analysis; and,
5. Servicing Options Analysis

The analysis of the opportunity to create a private secondary access to the 1316-1318 Princess Street redevelopment site included the following primary conclusions:

- The City of Kingston’s Official Plan provides considerations for the establishment of new residential development proposed adjacent to existing residential development. The assessment is to include consideration of service provision, connection to community facilities, traffic circulation, and mitigation of off-site impacts. The secondary driveway access would serve to support the provision of services, access to community and commercial services, and traffic and pedestrian circulation.
- The City of Kingston’s Urban Design Guidelines and Site Plan Control Design Guidelines supports the provision of appropriate vehicular and pedestrian connections between

¹ Note: The current Official Plan’s reference to “Housing First” should not be confused with the City’s updated homelessness system “Housing First” program. For clarity and consistency with accepted terminology, in the updated Official Plan references to “Housing First” are proposed to discuss affordable housing priorities for surplus municipal lands. “Housing First” will continue to reference the updated homelessness system program which connects chronic shelter users with more permanent and stable housing opportunities and support services.

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adjacent sites. These directions for good urban design and site planning support the provision of a secondary access via the Hillendale Avenue unopened road allowance to create a connected and integrated community. The secondary access would service to establish a connected street/transportation system pattern and help to prevent site isolation.

- The analysis of the existing and anticipated traffic flows and adjacent land uses indicates the inclusion of the secondary driveway access will not have adverse traffic impacts on the local traffic system.
- The majority of vehicular traffic generated from the site will be accessing Princess Street to the north. Given that the land uses adjacent to Princess Street north of the unopened road allowance include an electric substation and an existing apartment building, the proposed development, including the secondary access, would not have significant traffic impacts on the quality of service on Hillendale Avenue.

Based on the report, the establishment of a secondary access to the 1316-1318 Princess Street redevelopment site is supported by the City's land use planning policy and urban design guideline framework and is not anticipated to have an unwarranted negative impact on the local traffic system and adjacent land uses. City staff have confirmed any desire for a driveway as demonstrated through the Request for Proposals disposal process would include the construction of an approximately 6 metre wide private driveway. Since the service road allowance is 15.24 metres wide, this would provide approximately 9.24 metres of the allowance width that would remain landscaped and likely to include a sidewalk beside the driveway. Any noise or traffic impacts associated with the secondary access would be analyzed and reviewed as part of the zoning by-law amendment process. It is anticipated through design approaches all applicable regulations and guidelines adopted by the City to control adverse impacts between adjacent properties can be achieved.

Before the unopened road allowance and the 1316-1318 Princess Street redevelopment site can be sold, the City must first;

- a) permanently close the road allowance by by-law and declare the land surplus to municipal need, and
- b) declare both 1316 Princess Street and 1318 Princess Street surplus to municipal need.

Once complete, and following the zoning by-law amendment process, the redevelopment site would be offered for sale in accordance with the Affordable Housing Land Acquisition and Disposition Program.

Existing Policy/By-Law:

The subject lands will be sold in accordance with the Affordable Housing Land Acquisition and Disposition Program policy passed by City Council on March 6, 2012. This program and policy

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was established in order to implement a recommendation in the City's former Municipal Housing Strategy and current 10-Year Housing and Homelessness Plan.

When considering declaring a municipal property as surplus, the City's Disposition of Real Property Procedures stipulates that the Housing and Social Services Department of the Community Services Division be given the opportunity to utilize surplus municipal property for housing purposes first. This procedure is in accordance with the City's Official Plan and the 10-Year Housing and Homelessness Plan.

Notice Provisions:

The City's Public Notice Policy requires that notice be published two weeks in advance of the meeting date to close the road allowance or declaration of the properties being surplus to municipal need. The advertisement for declaring surplus was published on January 19, 2016 on the City's public notices webpage in accordance with the City's Public Notice Policy.

On May 31st, 2016 City staff and the land use planning/urban design and engineering consulting team for the zoning by-law amendment hosted a Public Open House where background information and the two conceptual redevelopment plans were displayed. The concept plans presented at the Open House illustrated the potential Hillendale Avenue secondary access. In advance of the meeting an invitation letter was distributed to all properties within 120 metres of the site in accordance with the *Planning Act's* statutory notice requirements for a zoning by-law amendment application. In addition the Public Open House was advertised through the City's various digital communication platforms.

Approximately 20 people attended the Public Open House with 11 individuals signing the communications sign-in sheet. It was requested that any comments be provided to City staff by June 14th, 2016. As a result two comment forms were provided at the open house. One letter submission was provided ahead of the open house. The concerns outlined within the three submissions related to increased traffic on Hillendale Avenue and the loss of "green space" and mature trees within the service road allowance. Staff have had discussions with property owners and residents and have indicated that the final plan would include green space and landscaping along any potential future road. Regarding these concerns the zoning by-law amendment process includes requirements for traffic impact analysis assessing any anticipated traffic impacts and a tree inventory to identify any significant species and to support the future detailed design of the site and any tree replacement and/or compensation requirements. The public input received will be considered in relation to the goals of the Affordable Housing Land Acquisition and Disposition Program and the City's land use planning policy and guideline directions in the preparation of the zoning by-law amendment application.

The development of 1316 and 1318 Princess Street, including the recommended inclusion of the unopened service road allowance, will be completed in full conformity with local municipal land development procedures and statutory requirements of the *Planning Act*. These procedures and regulations establish communications requirements ahead of public meetings and instructions for the submission of comments.

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Accessibility Considerations:

None

Financial Considerations:

The acquisitions of 1316 and 1318 Princess Street from private ownership were funded by the Affordable Housing Land Acquisition and Disposition Program. The purpose of the Program is to acquire strategic sites within the city and subsequently dispose of the properties at 75% of the acquisition costs. The sale of the site and selection of the preferred developer will occur through a Request for Proposals process with Council being responsible for approving the preferred financial bid and redevelopment plan.

The recommendations of this report will add the City-owned unopened road allowance lands to the assembled 1316-1318 Princess Street property, and sold as part of the Request for Proposals process. City staff estimates that the fair market value of the unopened road allowance is approximately \$150,000. This is based on comparable sites that have been sold as a single family building lot in established residential neighbourhoods. Under the terms of the City's Disposition of Real Property Policy, the net proceeds from the sale of surplus property shall be directed to the Municipal Capital Reserve Fund. Therefore, upon the ultimate sale of the unopened road allowance through the Affordable Housing Program, \$112,500 (75% x \$150,000) will be transferred into the Municipal Capital Reserve Fund.

Contacts:

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Other City of Kingston Staff Consulted:

Susan Nicholson, Director, Legal Services and City Solicitor

Marnie Venditti, Senior Manager, Client Relations & Development,

Peter Huigenbos, Director, Real Estate & Environmental Initiatives

John Henderson, Housing Programs Administrator

Lee Campbell, Manager, Housing & Childcare Programs

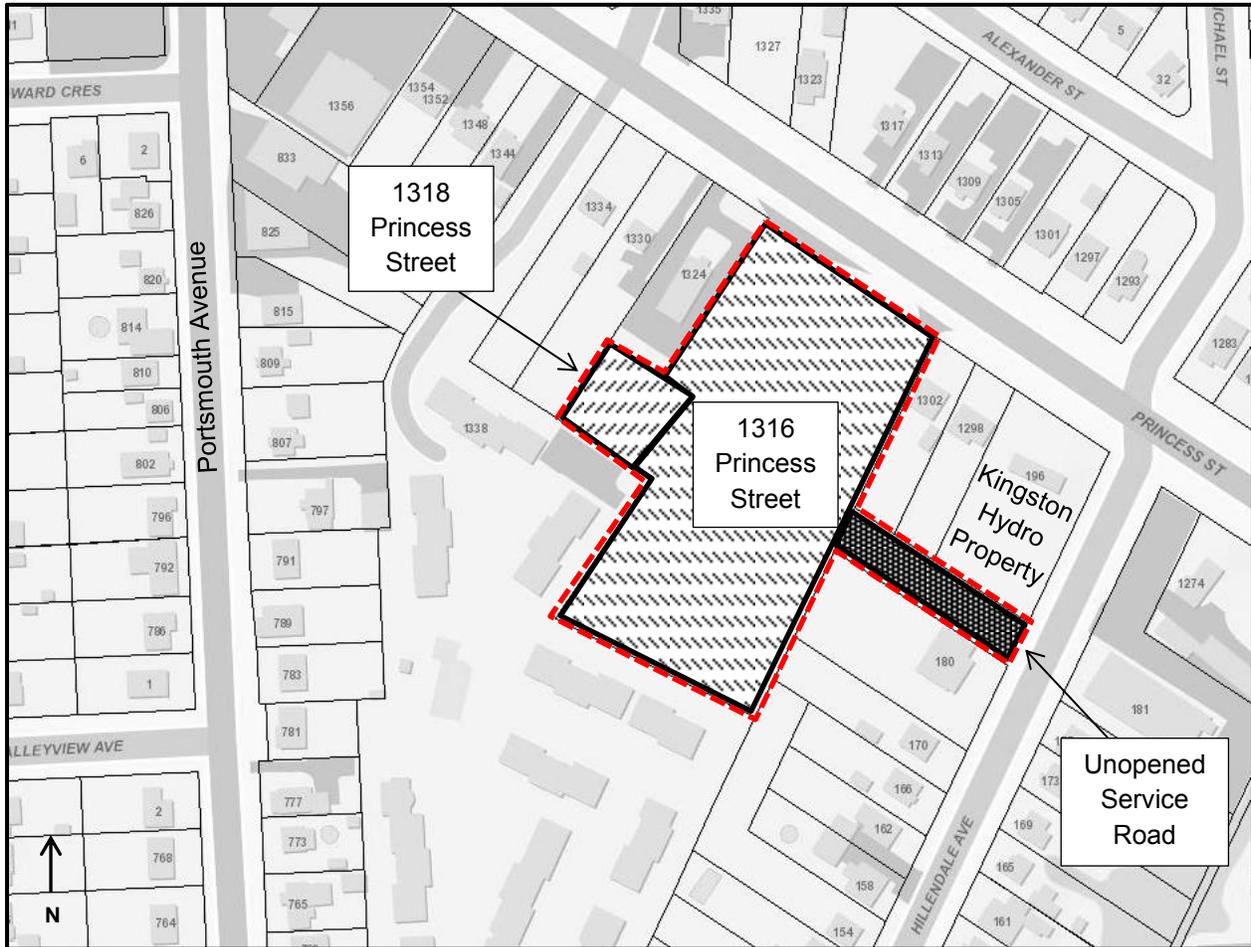
Exhibits Attached:

Exhibit A – Location Map

Exhibit B – By-Law

Exhibit A

Location Map



1316-1318 Princess Street – assembled redevelopment site including 1316 Princess Street, 1318 Princess Street, and Hillendale Avenue unopened service road allowance.

By-Law Number. 2016-XX

A By-Law to Permanently Close the Highway Described as Service Road on Registered Plan 360, in the City of Kingston, County of Frontenac

Passed: Meeting Date, 2016

Whereas Section 9 and 11 of the *Municipal Act, 2001*, S.O. 2001, c.25, permits municipalities to pass by-laws in respect of highways when the highway is under the jurisdiction of Council and the sale of land;

And whereas the Council of the Corporation of the City of Kingston deems it necessary to pass a by-law to stop up and close and convey part of a highway;

And whereas public notice of Council's intention to permanently close a portion of the highway described as Service Road on Registered Plan 360, in the City of Kingston, County of Frontenac, was published on January 19, 2016 on the City of Kingston's public notices webpage in accordance with the City of Kingston's "Public Notice Policy";

Therefore be it resolved that the Council of the Corporation of the City of Kingston hereby enacts as follows:

The portion of highway described as Service Road on Registered Plan 360, in the City of Kingston, County of Frontenac, shall be permanently closed.

This By-Law shall come into force and take effect on the date of its passing.

Given First and Second Readings July 12, 2016

Given Third Reading and Passed Month XX, 2016

John Bolognone
City Clerk

Bryan Paterson
Mayor