

**REGION OF WATERLOO****PLANNING, HOUSING AND COMMUNITY SERVICES**  
**Community Planning**

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**TO:** Chair Jim Wideman and Members of the Planning and Works Committee**DATE:** January 29, 2013**FILE CODE:** D10-20**SUBJECT: REGION OF WATERLOO KING/VICTORIA TRANSIT HUB UPDATE**

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**RECOMMENDATION:**

THAT the Regional Municipality of Waterloo receive Report No. P-13-006, dated January 29, 2013 for information, and endorse the implementation of recommendations from the Heritage Impact Assessment for the King/Victoria Transit Hub, as summarized in this report.

**SUMMARY:**

Over the past five years, the Region of Waterloo has purchased several properties at the intersection of King and Victoria Streets for the purpose of developing a transit hub, and planning for the site is well underway. The development of the transit hub will not only link the future Rapid Transit, GRT conventional transit, GO and Via train services, GO and other inter-city bus lines into one seamless public transportation system, it will also serve as a significant catalyst for additional development on this property and within this part of the City of Kitchener known as the "Innovation District". As the property owner, the intention of the Region of Waterloo is to achieve a landmark gateway development that is comfortable and convenient for pedestrians and seamlessly connected to transit.

The development of the Hub is directly linked to a number of other ongoing Regional projects including: the Community Building Strategy; the Weber Street grade separation; the King Street grade separation; the development of the Rapid Transit System; and the realignment of the Grand River Transit (GRT) conventional transit system. Coordination of these projects is of a high priority in order to ensure proper alignment of schedules, construction staging and interfaces, and public consultation/information processes. All of these projects are being undertaken in direct consultation with the Transit Hub Project Team, which includes Regional Councillors Jean Haalboom, Jim Wideman and Sean Strickland, City of Kitchener staff and Kitchener Councillor Dan Glenn-Graham.

A number of studies and approval processes are being undertaken or have been completed to ready the site for interim uses and for future use as a transit hub and a major new development site.

These include: the submission of planning applications to the City of Kitchener to provide for future private sector development of the site (including the completion of a Heritage Impact Assessment for the former Rumpel Felt building); development of a Preliminary Site Design and Station Area Access Plan; remediation of the site; the required environmental assessments for the eventual closing of Waterloo Street to vehicular through traffic and the development of various transportation facilities associated with the facility (including the future GO Rail and VIA Rail platform); and a market scoping study to determine the viability of various future uses of the site. The site has also been prepared for use as an interim parking area to support riders of GO and VIA Rail and to provide temporary parking facilities to assist the City of Kitchener in its economic development initiatives (until such time as additional parking is constructed elsewhere).

As part of the formal application to amend the City's Official Plan and Zoning By-law, a Heritage Impact Assessment (HIA) was required by, and submitted to, the City of Kitchener. The HIA found that only the 1913 portion of the Rumpel Felt Co. building located at 60 Victoria Street North is considered to meet the criteria for designation under Regulation 9/06 of the *Ontario Heritage Act*, and listed the following heritage attributes of the structure: the original 1913 facades, riveted shear plate column construction, door hardware, goods lift (circa 1913), original boiler, entry columns and porch, wooden pipes, and the massing of the building for its contribution to public special and historical experience. The Rumpel Felt Co. building has already been appropriately secured and is being monitored and maintained by the Region of Waterloo. The HIA recommends that the 1913 portion of the Rumpel Felt Co. building be conserved through adaptive reuse and that a Conservation Plan be submitted as part of any future site plan application for new development.

The City of Kitchener Municipal Heritage Advisory Committee (MHAC) has reviewed the HIA and recommended that the City proceed with listing 60 Victoria Street North on the Municipal Heritage Register.

The HIA has also been presented to the Region's Heritage Planning Advisory Committee (HPAC) for information and to keep the Committee apprised of the Hub development process. Regional Cultural Heritage staff also support the HIA recommendations.

The conservation of 1913 portion of the Rumpel Felt Co. building through adaptive re-use does not sterilize the planned redevelopment of this portion of the site, as the heritage review process allows for the consideration of a wide range of development options, including alteration and additions. However, as the actual development of the site may be several years in the future, the treatment and context of the 1913 Rumpel Felt Co. building would need to be examined in greater detail at that time.

At this point, Regional staff is working with the City of Kitchener to formally confirm, with regard to the 1913 portion of the Rumpel Felt Co. building:

- i) That the 1913 portion of the structure is being properly maintained (e.g. roof, basic heating, and is secured) by the Region of Waterloo; and
- ii) That as anticipated by the HIA, future additions and/or alterations to the structure will be considered at key decision points in the site's redevelopment.

## **REPORT:**

### **Project Background**

Over the past five years, the Region of Waterloo has purchased a number of properties located at or near the intersection of King and Victoria Streets in the City of Kitchener for the purpose of development of a transit hub that could be constructed on the resulting parcel of land in order to connect the future rapid transit system and Grand River Transit to inter-city bus and rail systems serving the Region. As a result of this process, the Region has assembled properties totalling approximately 1.6 hectares (four acres) of land, a significant portion of which may not be required to facilitate the actual transit facilities and as such is developable for other purposes (e.g. office, retail).

This report provides an update to the process since the previous update Report No.P12-076, dated August 14, 2012

### **Project Description**

The proposed King/Victoria Transit Hub involves the development of significant transportation infrastructure including: new train platforms to serve inter-city GO train and VIA Rail services; bus bays to support Grand River Transit (GRT) and intercity bus services such as GO bus and other

private sector carriers; underground and at-grade connections to and from the new Regional rapid transit system (light rail); as well as the facilities necessary to support and integrate other transportation modes such as taxis, car share, cycling and pedestrians.

The convergence of high-order transportation at the King/Victoria Transit Hub elevates its importance as a gateway feature to the Region of Waterloo. The proposed Transit Hub could be integrated into a combination of public and private sector developments, potentially including higher density mixed use commercial, office, and residential spaces served by transit and a multi-level underground commercial parking structure.

The Transit Hub project is both a central feature in the development of an integrated inter- and intra-city transit system for the Region of Waterloo, as well as a catalyst to support the development of the City of Kitchener's planned Innovation District. The prominence of the site makes it imperative that any proposal demonstrate a high standard of design that sets the standard for other developments in the area.

### **Progress to Date on Key Items**

1. Planning Applications – Formal applications and all associated studies required to support proposed City of Kitchener Official Plan and Zoning By-Law Amendments have been prepared and submitted to the City of Kitchener. The intent of these applications is to allow for the broadest range of uses and higher density appropriate for the site so as to eliminate constraints moving into the design and procurement processes. The Region is also seeking a reduced parking standard for the site in recognition of the high level of access to transit services associated with the site. GSP Group has been retained to assist with these *Planning Act* application processes. An informal public meeting was jointly held by the Region of Waterloo and the City of Kitchener in September 2012 at the School of Pharmacy with over 250 attendees. City staff is currently reviewing comments received from various agencies and the public and will hold the formal statutory public meeting for the applications under the provisions of the *Planning Act* in February 2013. City of Kitchener Council is expected to make a decision on the applications shortly thereafter (i.e. March).
2. Heritage Impact Assessment - As part of the formal application to amend the City of Kitchener Official Plan and Zoning By-law, a Heritage Impact Assessment (HIA) was required by, submitted to, and has been approved by the City of Kitchener. A summary of the HIA recommendations and further description of next steps and implementation is included in the following section of this report.
3. Environmental Assessment – A Municipal Class Environmental Assessment (Schedule 'B') is underway for the transportation facilities associated with the multimodal use of the Transit Hub site. An Environmental Assessment (Schedule A+) is also underway for the eventual closure of Waterloo Street through the Transit Hub site. A public information centre was held on November 20, 2012, and the filing of both environmental assessments is expected by summer 2013. IBI Group has been retained to assist with the completion of these environmental assessments.
4. Soil/Groundwater Investigation and Remediation – An updated Phase One Environmental Site Assessment and supplementary Phase Two Environmental Site Assessment (ESA) have been completed; a Phase Two ESA involves sampling and testing soil and ground water at site. The results of these investigations are generally consistent with the environmental condition data previously collected in the area. The data collected will be used to support a Risk Assessment. Once the Risk Assessment is complete, a Record of Site Condition will be filed with the Ministry of Environment.

5. Preliminary Site Design and Station Area Access Plan - The Region, with the City of Kitchener, launched development of the Preliminary Site Design and Station Area Access Plan for the King/Victoria Transit Hub in March 2012. The purpose of the plan was to identify and balance the space requirements of pedestrians, cyclists, transit and transit passengers, trains, taxis, cars, and service vehicles in and around the Transit Hub site. The Station Area Access Plan prioritizes pedestrian and cyclist connections, as well as facilitate transfers between Light Rail Transit, GRT buses, GO transit, and VIA Rail service. To determine the impact of continuous bike lanes on King Street through the Victoria Street intersection, a traffic assessment of nine surrounding intersections was also completed as part of this project.

The project steering committee is comprised of Grand River Transit, Rapid Transit, Transportation Planning and TDM staff representatives from the City of Kitchener and the Region of Waterloo. Working with IBI Group, which was retained to assist in the completion of the project, the steering committee identified the public transit and multi-modal requirements of the site and made efforts to maximize the area available for private sector investment. The steering committee evaluated several design alternatives focused on reducing conflicts between modes, while emphasising pedestrian comfort and way finding. The steering committee presented these draft recommendations to the Hub Project Team in August and to the public at two open houses held at the School of Pharmacy, one in June 2012 and another in September 2012. The second open house attracted over 250 residents who actively engaged staff with detailed questions about the site, and no objections were received. The cycling community, however, raised concerns about crossing LRT tracks while riding downhill on King Street as well as riding between traffic and a retaining wall through the King Street grade separation. Design recommendations to address these concerns will be provided in the final Access Plan report.

In addition to the public open houses, consultation meetings were held with the Active Transportation Advisory Committee as well as adjacent property owners, including Kaufman Lofts, the University of Waterloo, Momentum Development, Zehr Group, and Perimeter Development. The consensus among these various stakeholders and the project steering committee is that dedicated transit waiting areas, wider sidewalks and cycling facilities are required adjacent to the Transit Hub and on the surrounding road network to accommodate transit oriented population and employment growth in the Innovation District and Downtown Kitchener generally.

The final Preliminary Site Design and Station Area Access Plan report is being compiled and will be distributed to the steering committee the Transit Hub Project Team for review. As a partner in the process, Metrolinx is currently reviewing the draft plans to see if vertical circulation between station levels can be further improved for pedestrians. In consultation with Rapid Transit, detailed designs and cost estimates are being prepared for the King Street grade separation and Waterloo Street pedestrian tunnel, as well as the stair and elevator accesses to the GO and VIA Rail platforms. The draft recommendations are expected to have an impact on the budget of the King Street grade separation.

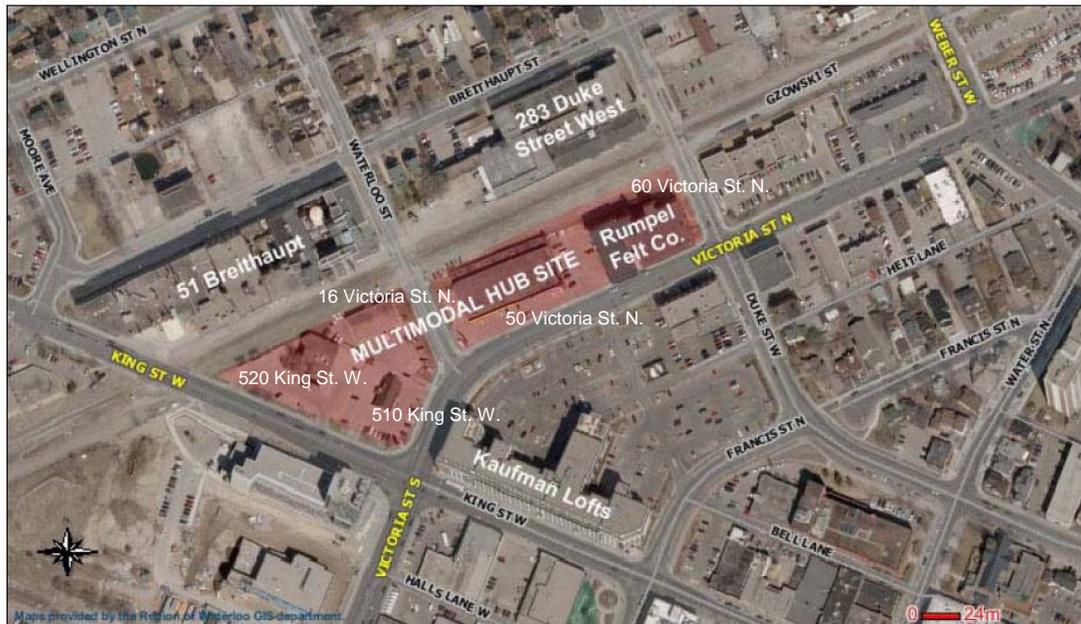
6. Beer Store Property Purchase – The purchase of the Beer Store property is complete and the Region is now in possession of this property. This completes the land purchases required for the Transit Hub, save and except for the portion of Waterloo Street currently subject to the environmental assessment process (owned by the City of Kitchener).
7. Real Property Market Scope and Feasibility Study – A market scope and feasibility study is being undertaken to determine the potential range of future uses for the non-transportation components of the Transit Hub (see Report P-12-077). The market scope study will enable the Region to better understand and establish the most prudent set of premises, criteria, scope, and procurement strategies for development of the site. It will thus provide the Region with the

degree of due diligence and procedural rigour that could be generally expected of an entity undertaking commercial land development. The market scope study may be followed by a business case analysis for the preferred investment option(s). Cushman and Wakefield has been retained to assist the Region in the preparation of this study, which is expected to be completed in 2013.

8. Temporary Parking - The structure at 50 Victoria Street North has been demolished and a temporary parking lot created on the vacant lands. In addition to providing free parking to GO commuters arriving before 7 a.m., the Region continues to sell monthly permits to major tenants at The Tannery to utilize surplus parking spaces not required by GO commuters. Revenue from the sale of permits is offsetting the cost to construct and administer the temporary parking lots and the cost to maintain the Rumpel Felt building and 16 Victoria Street. The 16 Victoria Street property is temporarily housing the ambulance waiting station and a short-term tenancy, the sales office for the Momentum Developments redevelopment of 1 Victoria Street South. In addition, a special transit fare is available for GO Train riders who can now board a GRT bus for only 50¢ with valid proof of a GO transit train fare to travel to and from the Kitchener Train Station.

### Summary of Heritage Impact Assessment Recommendations

The “Heritage Study and Heritage Impact Assessment, Proposed Region of Waterloo Multimodal Hub, 16 Victoria Street North, 50 & 60 Victoria Street North, and 520 & 510 King Street West, Kitchener” was completed in April 2012 by The Landplan Collaborative Ltd. with John MacDonald Architect Inc..



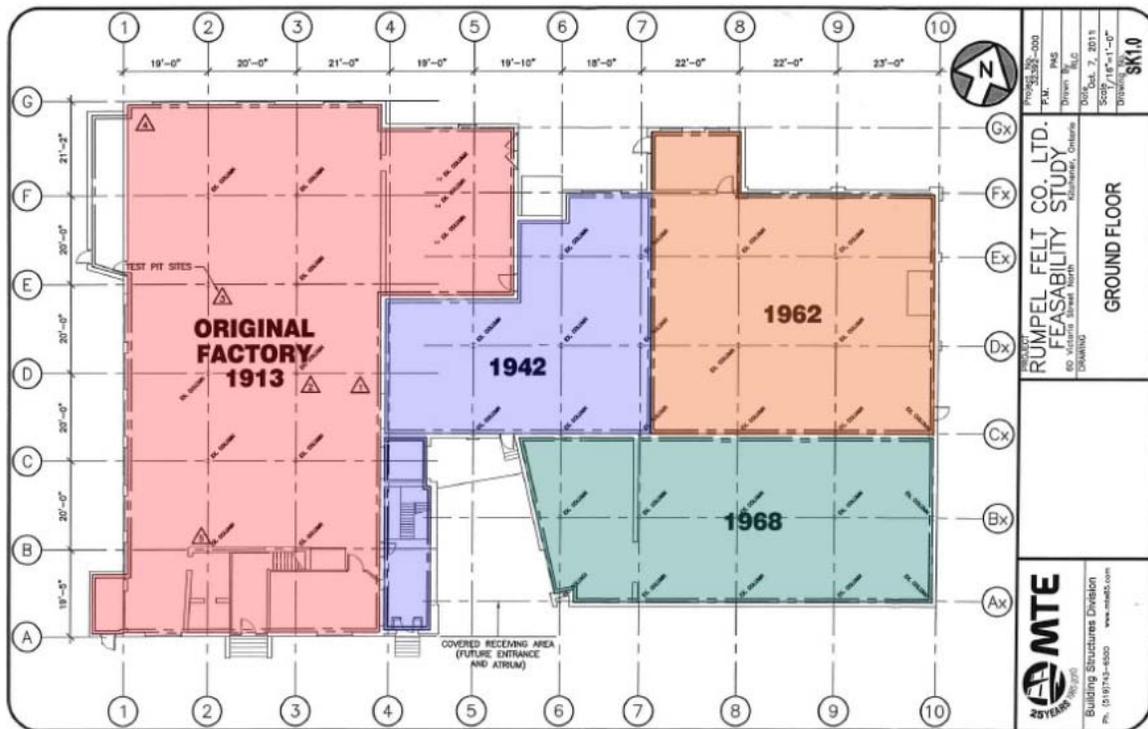
Aerial View of Subject Properties (GIS Locator)

The key recommendations of the HIA are summarized as follows:

- retain the 1913 portion of the Rumpel Felt Co. building for adaptive re-use, with the aim of preserving and restoring the heritage attributes/character-defining elements identified in the HIA, which include the:
  - original 1913 facades (Victoria Street, adjacent to 50 Victoria, and rail side);
  - riveted shear plate column construction;

- door hardware, goods lift (circa 1913) and original boiler;
  - entry columns and architrave to the roof of the entry porch;
  - wooden pipes (presently used in the parking lot retaining wall); and
  - massing of the building for its contribution to public special and historical experience
- list the Rumpel Felt Co. building on the Municipal Heritage Register;
  - complete and implement a Conservation Plan for the 1913 portion of the building at Site Plan; and
  - designate the property post development under Part IV of the *Ontario Heritage Act*.

The HIA also includes several specific recommendations related to the scale, massing and location of new built form on the transit hub properties which would be considered alongside the recommendations from the other supporting studies. Implementation of such recommendations is expected to be addressed in the future through the detailed site plan and future development agreements.



Rumpel Felt Factory Construction Dates, after MTE Oct 7, 2011.

The conservation of 1913 portion of the Rumpel Felt Co. building through adaptive re-use does not sterilize the planned redevelopment of this portion of the site, as the heritage review process allows for the consideration of a wide range of development options including alteration and additions. Listing the building on the Municipal Heritage Register is not formally connected to the Planning Act application process, and seeks to provide heritage protection, while maintaining flexibility in the development process. Please see Appendix A for a detailed explanation of Municipal Heritage Register Listing, Conservation Plan and Ontario Heritage Act Designation.

The Region has appropriately secured the building, retained a property management company to monitor it, and is undertaking required maintenance (e.g. bricks, roof). It is the Region's intention to continue to maintain it and further examine its potential use in the context of the larger site development, expected in future years.

The City of Kitchener Municipal Heritage Advisory Committee (MHAC) has reviewed the HIA and recommended that staff proceed immediately with the process to list 60 Victoria Street North on the Municipal Heritage Register as a non-designated property of cultural or heritage interest.

Listing the property formally identifies that the property is of cultural heritage value or interest and increases the amount of time the municipality has to process a demolition application to 60 business days. The owner, in this case the Region, may comment on the recommendation for listing a property, after which Kitchener City Council makes the decision. Listing a property does not necessarily result in an eventual OHA designation.

The HIA has recommended that an Ontario Heritage Act (OHA) designation be considered by City of Kitchener Council after site development and any planned alterations have been completed. The HIA has also recommended that a Conservation Plan be submitted as part of any future site plan application. The Conservation Plan would document how the Rumpel Felt Co. building will be conserved during future site development, acknowledging that the building is expected to be part of a larger redevelopment and that alteration of the existing 1913 structure is expected. The recommendations in the Conservation Plan could include a description of the adaptations, repairs, stabilization and preservation activities as well as long term conservation, monitoring and maintenance measures proposed for the building.

Following completion of the adaptive reuse of the 1913 portion of the building, the City would consider designating the property under Part IV of the Ontario Heritage Act. This approach, listing the property on the Municipal Heritage Register and requiring a Conservation Plan as part of a complete Site Plan application, ensures that the property has heritage protection during development. The alternative approach, designating the property prior to development, would mean that a Heritage Permit Application would be required at each stage of alteration or repair. The City has taken a similar approach, requiring a Conservation Plan for the Breithaupt Block, a neighbouring property that is also being redeveloped with an adaptive re-use component.

The HIA has been presented to the Region's Heritage Planning Advisory Committee (HPAC) for information and to keep the Committee apprised of the Hub development process. HPAC's mandate includes the review of Regional projects that may impact heritage resources. HPAC supports the overall approach being taken in the heritage review process, and is in general agreement with the findings and recommendations of the HIA including the recommended conservation of the 1913 portion of the Rumpel Felt Co. building. The recommended conservation of the 1913 portion of the Rumpel Felt Co. building would require the Region and future development interests to creatively consider how the identified heritage attributes and character defining elements can be preserved, restored and effectively incorporated into the Transit Hub redevelopment, and would be an opportunity to showcase how heritage conservation supports the development of a thriving and productive urban community.

At this point, Regional staff is working with the City of Kitchener to formally confirm, with regard to the 1913 portion of the Rumpel Felt Co. building:

- i) That the 1913 portion of the structure is being properly maintained (e.g. roof, basic heating, and is secured) by the Region of Waterloo; and
- ii) That as anticipated by the HIA, future additions and/or alterations to the structure will be considered at key decision points in the site's redevelopment.

## **Coordination with Intersecting Projects**

Team members from across the intersecting projects are represented in the governance and decision-making structure of this project. This approach of participatory engagement has proven to be a very effective means of establishing and maintaining a high degree of understanding and collaboration between the various projects, which include: the Central Transit Corridor Community Building Strategy; the Active Transportation Master Plan Study; the Weber Street Grade Separation; the King Street Grade Separation; Rapid Transit; and the Grand River Transit Route Network Redesign.

## **Next Steps**

Subject to Regional Council concurrence, staff will continue to advance the project as described in this report and in consultation with the Project Team. It must also be reiterated that as the property is in the direct ownership of the Region of Waterloo, the ultimate development of the property will be guided by the public sector directly, contrasted to the limited municipal regulation applicable to a property that is privately owned.

## **Area Municipal Consultation/Coordination**

City of Kitchener staff has been involved extensively in the various studies underway and completed to date. City of Kitchener staff is also overseeing the review of the required *Planning Act* applications. The City of Kitchener is represented on the Project Team by three staff members, one each from planning, engineering and economic development, and by Councillor Dan Glenn-Graham. Regional Councillors Jean Haalboom, Jim Wideman and Sean Strickland are also Project Team members. A draft of this report was also shared with Kitchener staff.

## **CORPORATE STRATEGIC PLAN:**

This initiative directly supports Strategic Action 3.4.1, "Implement the multimodal transportation hub at Victoria and King Streets".

## **FINANCIAL IMPLICATIONS:**

As reported in the August 2012 Periodic Financial Report (Report F-12-084; October 16, 2012), total spending on property relating to the Hub project to that time was \$6.9 million, including land acquisition and related costs, land transfer taxes, commissions and consulting engineering fees associated with site redevelopment (including remediation, surveys and demolition). Since that time, the Region has purchased the Beer Store property for a total consideration of \$2,725,000. As part of a future Hub redevelopment strategy (to be considered by Regional Council), a detailed financing plan will be recommended. Planning and consulting costs along with site operating, maintenance and repair costs associated with the ongoing development of the Hub project amount to approximately \$1,067,000 to December 2012. These expenditures are being funded from the RT/RTMP property tax commitment of 1.5% (1% net) per year to 2018. Ongoing site operating costs are being partially offset with revenues from building leases and parking space rentals.

## **Capital Cost of Infrastructure and Land Development**

An estimate of the site infrastructure and land development capital costs is expected upon completion of the Preliminary Site Design and Access Plan Study, and the Market Scope Study. The Preliminary Site Design and Access Plan report, which will identify requirements and develop conceptual designs for the transportation infrastructure and the street interface elements, is

expected to be complete by the end of 2012. The Market Scope Study, which undertakes real estate economic analysis together with a market sounding exercise, will provide a realistic projection of the type and scale of development that could be commercially sustained at the site; and is scheduled to be completed in 2013. Regional staff will report on the outcome of all of these studies and regulatory processes later in 2013.

**OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:**

Staff from Transportation Planning, Legal Services, Facilities Management, Finance and Rapid Transit has been consulted in the preparation of this report.

**ATTACHMENTS:**

Appendix A - Explanation of Municipal Heritage Register Listing, Conservation Plan and Ontario Heritage Act Designation

**PREPARED BY:** *Kevin Eby*, Director, Multi Modal Transit Hub  
*Kate Hagerman*, Cultural Heritage Specialist  
*John Hill*, Principal Planner

**APPROVED BY:** *Rob Horne*, Commissioner of Planning, Housing and Community Services

**Appendix A****Municipal Heritage Register Listing**

Listing a property on the Municipal Heritage Register formally identifies that the property is of cultural heritage value or interest to the municipality and increases the amount of time the municipality has to process a demolition application to 60 business days. The City of Kitchener typically lists properties with the intent that the listed properties will ultimately be designated under the Ontario Heritage Act.

The City of Kitchener uses a four step listing process:

1. Properties are evaluated for potential cultural heritage value using recognized criteria.
2. Properties are then considered by a sub-committee and a Statement of Significance (SOS0) is prepared for short-listed properties. Owners are circulated a copy of the relevant information and invited to make comment.
3. Heritage Kitchener reviews the merits of the shortlisted properties and considers the comments of the property owners, then makes a recommendation to City Council on listing the properties.
4. City Council makes a decision on whether or not to list the properties on the Municipal Heritage Register as "non-designated properties on cultural heritage value or interest". Property owners are also able to appear before Council.

The property owner may comment on the recommendation for listing a property, after which Kitchener City Council makes the decision on whether or not to list a building.

**Conservation Plan**

A Conservation Plan may be required by the City of Kitchener as a condition of development and is used to guide the conservation of a property during site development (such as the historically significant portion of the Rumpel Felt Co. building). A conservation plan includes recommendations for conservation measures and interventions, such as: inspections; maintenance programs; phases of demolition, rehabilitation or restoration work, including descriptions of planned adaptations, repairs, and stabilization and preservation activities; long term conservation measures; costing; and monitoring.

**Ontario Heritage Act Designation**

Heritage protection under the Ontario Heritage Act (OHA) is an Area Municipal responsibility. It will be the City of Kitchener Council's decision as to when and if 60 Victoria St. N. receives heritage protection in the form of an OHA designation. City of Kitchener staff view is that all properties that meet one or more of the provincial criteria stated in Regulation 9/06 of the OHA should be considered for designation. OHA designations are typically property based. As it is only the 1913 portion of the Rumpel Felt Co. building that has heritage value, the Region could request that only that building be impacted by the OHA designation.

As the property owner, the Region may file an objection within 30 days of the City of Kitchener Council's published Notice of Intent to Designate. If an objection is filed the City Council must refer the objection to the Conservation Review Board (CRB) for a hearing which will provide a non-binding recommendation to City Council on whether or not to designate. Following the hearing, City Council makes the final decision whether or not to proceed in passing a bylaw to designate the property.

Once designated, demolishing the structure would require the approval of the designating council, including a repeal of the OHA designation. If the City Council denies a demolition permit, the Region may appeal to the Ontario Municipal Board (OMB). In this process, the OMB's decision is final.