

MEMORANDUM

TO: Ottawa City Council

AND TO: Planning and Economic Development Committee

FROM: Elgin Area Business Association

We recently reviewed the draft terms of reference for the **proposed Elgin Street Planning Study** which is to be considered by the Planning and Economic Development Committee on November 28, 1995; our comments are as follows:

- The study area comprises the properties fronting on Elgin Street between Nepean and Gladstone. The envelope of the study area is from Bank Street to the Rideau Canal. The current planning policy regards the area as a commercial strip that serves adjacent residential areas and the larger community. The Centretown Secondary Policy Plan directs that the area between Lewis Street and Gladstone Avenue serve predominantly a local commercial function and the area between Nepean and Gilmour serve both a district and local commercial function.
- The proposed objectives involve study of ownership patterns, vacancies, turnover, physical building conditions, development of a BIA, marketing plan, prioritized statement of business issues, a retail marketing strategy and proposed capital improvements, all of which are of a commercial rather than planning nature. The foregoing goes **far beyond** planning considerations and the **appropriate role** of the **City of Ottawa** and its planning staff.
- The draft terms of reference **conclude** that the uses along **Elgin Street do not reflect the directives of the Centretown Secondary Policy Plan** due to a concentration of restaurants and associated entertainment-type uses that have a regional draw. The draft terms of reference also **conclude** that due to a number of use turnovers and vacancies there is a **sense of uncertainty in the Elgin area** business community and concern that the commercial **vitality is eroding**. The foregoing is **clearly not the case**. Elgin Street radiates commercial vitality and there are very few turnovers and vacancies relative to other areas of Ottawa. It is Elgin Street and its location which

has a regional draw and not the restaurants and associated entertainment-type uses. Elgin Street feeds into Parliament Hill, the National Arts Centre, War Memorial, Conference Centre, Court House, and is the main thoroughfare prior to accessing the Canal. **The best way to preserve the economic vitality of Elgin Street is to preserve the status quo.** The Elgin Street business community does share a common vision which has led to the current long term success of Elgin Street.

- In these times of economic restraint, if monies are available to fund planning studies, the City of Ottawa should deal with the **downtown area** upon which Elgin Street and as well Bank Street and Sparks Street are so dependent. Currently, Class A **office vacancy** rates are in the **15%** range generally, with Class B and Class C office vacancy rates being much higher. More importantly, in relation to offices which are not vacant, the tenants are paying next to no rent. It is anticipated that over the next **three to five years** as a result of federal government **downsizing, de-centralization**, workers **telecommuting** from the home and therefore not coming downtown, a great deal of retail sales taking place in the home and a significant amount of commercial activity, for instance all banking, taking place in the home, that the **downtown** area will in accordance with the current trend **empty out!** It is very important that the City of Ottawa address marketing issues to attract business to office space in the downtown core and have a comprehensive approach to a residential conversion policy which is the current **trend** in areas such as **Toronto and Vancouver**. The residential conversion policy must recognize the fact that most properties will involve a mixed use whereby people will live and work in the same area and essentially involve the mix of a Neo-traditional neighbourhood and office complex at the street level. In particular, there should be ongoing negotiations with the federal government to ensure that the downtown area does not empty out as a result of de-centralization and the construction of massive developments such as the recent post office facility and rather a concerted effort should be made to upgrade and maintain the vitality of the downtown core. If the City of Ottawa does not deal effectively with the foregoing, the **effect** will be a **sharp decline in realty and business tax revenues** from the downtown core, which is a very serious concern for the remainder of the City of Ottawa. **We therefore urge the Planning and Economic Development Committee to devote the available manpower and money to a consideration of how the City of Ottawa can best maintain and improve the economic vitality of the downtown commercial core upon which Elgin Street is so dependent.**