



MARKHAM LIVE (MISTA) COMMITTEE
April 22, 2013
Canada Room

MINUTES

<p><u>Attendance:</u></p> <p><u>Members:</u> Mayor Frank Scarpitti Deputy Mayor Jack Heath Regional Councillor Jim Jones – Chair Regional Councillor Joe Li Councillor Howard Shore Councillor Don Hamilton Councillor Carolina Moretti Councillor Colin Campbell Councillor Logan Kanapathi Councillor Alex Chiu</p> <p><u>Regrets:</u> Regional Councillor Gord Landon Councillor Valerie Burke Councillor Alan Ho</p>	<p><u>Staff:</u> Andy Taylor, Chief Administrative Officer Jim Baird, Commissioner of Development Services Trinela Cane, Commissioner of Corporate Services Brenda Librecz, Commissioner of Community Services Mary Creighton, Director, Recreation Services Denis Flaherty, Director Communications and Community Relations Joel Lustig, Treasurer Alex Moore, Senior Manager, Purchasing & Accounts Payable Don Taylor, Manager, Executive Operations Kitty Bavington, Council/Committee Coordinator</p>
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The Markham Live (MISTA) Committee meeting convened at 4:35 p.m. with Regional Councillor Jim Jones as Chair.

1. DISCLOSURE OF INTEREST – None declared

2. KING SQUARE PRESENTATION

The following background information was provided:

- a) MISTA Presentation to Markham Live Committee, July 4, 2012
- b) MISTA Presentation to Markham Live Committee, November 1, 2012

The Chair welcomed the King Square team and introduced Markham Council and Staff in attendance.

The King Square team was led by Michael Morrissey, who introduced his team, including Richard Tian and Gary W. Luhowy. Their Powerpoint presentation responded to the following information requests and questions:

Company Overview

The Company overview must include your understanding and role in the MISTA project and how your company's demonstrated experience will lead to a successful outcome.

Mr. Morrissey presented the King Square concept plans for the MISTA sports complex as a vibrant mixed-use district, and described the proposed sports campus: north, central, and southern parcels. Their concept was a more comprehensive vision with a central park/YMCA parcel of 3.5 acres for a total of approx 25 acres. The central park configuration will tie the project together north/south and east/west.

Elevations and site plans of the MISTA sports complex were presented, within the context of the Markham Live Master Plan - the mobility hub, arena project, conference centre, and other components of the 100 acre development project:

- four towers will each contain 650 residential units
- the fifth and tallest tower will contain mixed uses including 1 million sq ft of office space facing onto Highway 407
- total of 3,150 residential units
- 6,000 below-grade parking spaces
- 928,800 sq ft of sports and recreation space

MISTA is envisioned as the anchor of the mixed-use development with a focus on a central sports educational district, similar to the Guanzhou Tianhe CSED in China, established in 1987 to create an anchor for downtown.

Standard Questions

- a) ***Please identify the financial backing and resources available to you to construct and operate the facility including all programme elements.***

The design team consists of Adamson Associates (Canary Wharf); Sasaki (Olympic Green); and Arup (Bird's Nest, Beijing). The members of the Consortium Group were identified as King Square Ltd., Nanshan Group, Beijing Construction Engineering Group, and Yuanda China. The applicant outlined the Consortium's backgrounds, credentials, major projects and financial issues.

- b) ***Describe how you will be able to deliver (construct & operate) the programme elements at no cost to the City of Markham? If not, what municipal, government (Provincial and/or Federal) or other investments will be necessary?***

The applicants stated that not one penny will be required from Markham. Five elements for relief are being proposed to achieve this:

- defer land and site development costs (25 acres)
- exempt MISTA from voluntary contribution fee (residential)
- exempt MISTA from Section 37 (residential, office, hotel, retail)
- defer parkland cost (until completion)
- Defer development charges (until completion of construction)

All deferrals will be paid at project completion. It was suggested that MISTA (Sport) be given consideration as a Municipal Capital Facility. It was noted that the YMCA and Pan Am site issues will need to be addressed.

The budget summary was presented as \$1,835,000,000 for 9,208,800 sq ft of development.

- c) ***Do you feel the MISTA structure as set out in the RFI document is commercially viable? If not, what adjustments (if any) in the sports facilities and/or what increase in development latitude would be required to achieve a workable mix?***

Based on the City's RFI structure, the MISA project is not commercially viable; however, based on the King Square proposal that balances about 25% sport related facilities with the total mixed-use development, the MISTA project is viable.

Open Forum Questions/Respondent Questions

- Q. With respect to deferrals, how will Markham ensure payment is received?
A. *(Letters of Credit, deferred mortgage, and other options)*
- Q. How long is the construction estimate with respect to the deferred payments?
A. *(Typically a 5 year build cycle; building costs could be paid when buildings are completed. Full financial detailed analysis is done at the next stage)*
- Q. Will the Central Park have to wait until the end of construction?
A. *(The park can be a phased-in option)*
- Q. What is the building height?
A. *(The draft concept plan indicates a maximum building height of 50 storeys)*

The Committee indicated the proposed density was generally considered reasonable. Discussions involved incorporating the Pan Am and YMCA sites.

Staff will be preparing for a formal RFP with the expectation of a quality project at no cost to Markham. Parkland, Section 37, and deferral cost issues will be reviewed.

4. ADJOURNMENT

The Markham Live (MISTA) Committee adjourned at 5:30 p.m.