

Board of Directors Meeting - Sparks Street Mall Authority

Monday, Nov 22nd, 2021

2:00pm – 3:30pm

Teams Call

- Court Curry
- Kevin McHale
- Michael Swan
- Bill Leonard
- Marissa Lord
- Laura Young
- Scott Lennon

Declaration of conflicts No

1. **Approve of Agenda** *Michael Swan, seconded Bill Leonard*
2. **Approval of Previous Minutes – SSMA - Michael Swan, Bill Leonard**
 - *Court wanted to confirm note about cocktail bar in previous meeting minutes– clarified it was in reference to a location on Sparks*
3. **Opening Remarks – Court Curry**
 - *Court remarked that state of affairs was good on Sparks, nice to see Christmas trees, have Downtown core looking optimistic, banking on a more lively 2022 than the last 18 months*
 - *City of Ottawa working on return to work strategy for February March*
4. **PSPC Precinct Construction Update – 30 min**
 - *Management agreement with NCC taking care of retail portfolio, maintain owners POV of tenant mix and strategies*
 - *October 10th acquired 30 Metcalfe from NCC, NCC will be moving in to 80 Elgin unlocks the key to get going on the redevelopment of blocks 1 and 3 on Sparks Street, use as swing spaces*
 - *Block 2 is under design competition, shortlist has not been made public*
 - *We have to work with parliamentary partners on who is going where with split between senate and house of commons, to have access to the remaining buildings on the east and west block*
 - *Working with PCO with the renovation of block 1, sequencing will see Blackburn redeveloped first with an infill and the Office of the Prime Minister building will be next, governance has just start*
 - *Working on structural upgrades to Postal Station B,*
 - *Court Curry – 30 Metcalfe – let leases expire, when possible, ideal world we would use termination notice of development clauses we will take a faith approach with abatement to the building, couple of floors already vacant*
 - *Working NCC and City on other developments to make case with the city, not for public discussion*
 - *Court asked about the status of the design competition site*
 - *Scott did not have the exact date the main spaces, need to have access to is 40 Elgin to fit for parliamentary swing space, can't give date for block 2 as could be incorrect, but thinking 2025, a lot of interconnectivities to make it happen*
 - *80 Elgin needs to fit up to accommodate 40 Elgin, a lot of moving parts.*
 - ***ACTION*** *Scott will have a more fulsome package for you end of January*
 - *Bill replied that the MOU has been signed, takeover day, broker open house last week, 30 brokers, one thing that brokers don't realize is that we pay their commissions and do inducements for tenants*

themselves, different perceptions for brokers when it comes to govt spaces, for tenant mix is f&b with barbershops, that will get the most animation bang for the buck, open to creative concepts that lights up the street and animates and brings people back

- *Confirmed there is an appetite for deals done that gives people some risk mitigation on how things roll out over the next year and a half, medium term to long term on Sparks Street, packages out there and on the street*
- *Kevin asked if hood fans and exhausts been considered as part of the brokering*
- *Bill Leonard – does not expect that to be a major problem coming forward, no hard nose on hood fans, there will be creative solutions*
- *Kevin if you need assistance from the office to promote the area*

ACTION: *Bill to send the Broker Package to SSBIA*

Kevin asked who owns chambers, PILT collections

Court – how many bays,

Bill replied that 7 open that are available, he is pushing for more

5. **Approval of Audited Financial report**

- *Received report on Thursday, MA to be aware of wage subsidy have received funds from the federal govt, BIA has fallen through the cracks a bit on its status with these subsidies, we have been working with IDA Canada at the federal level, we collected in cerb payments this past year, it might be something we have to pay for CERB, a number of BIAs are making the case that we deserve to have these funds and did everything what the funds were intended to do, including revenue loss as we had loss of revenue, to the tune of 32K, all qualifications apply, but CRA might wish to claw back*
- *EY also pointed out that we have seen shortfalls in our levy collection, the metre of frontage on sparks street, there is a \$60K gap in the budget, City of Ottawa is figuring it out for us*
- *EY suggests that we start budgeting for this and would be better to address these levy fluctuations*
- *Health surplus we are spending everything we have had an opportunity to purchase*
- **MOTION That the Board of the Sparks Street Mall Authority approves and accepts the audited results of the 2020 financials as prepared by EY(Ernst and Young)**
Scott Lennon, seconded Michael Swan

6. **Executive Director Update – Kevin**

a. **Surplus Investment update**

- *Positive news that City of Ottawa’s financial staff have approved \$400K to put aside into a trust account that will just be for us and invested by the city’s team, rate of return .05% and will help our fund stay inflationary*
- *Legal department writing up the contract for review by the board, the money is available at any time, if we need it we can access it as required, and we can return to this conversation at an annual basis*
- *A lot of flexibility, BIA will be doing the same with its surplus, contract for review next meeting for sign of and money beginning of January*

b. **SSBIA Update**

- *Dan Rascal video content almost complete, they will be filming Christmas décor this Wednesday*
- *Electrician coming tomorrow to make fixes*
- *As soon as the video is shot it will be used on our digital channels*
- *Toy Mountain At Work Santa launched*
- *12 Days of Sparks Gives also a campaign launching*
- *Street Activation revamping the schedule to fill our schedule as year around approach*
- *Scott Lennon – asked about downtown return to work plan, has Sparks heard about anything federal*

- *Kevin – it was great to have something come out from Treasury Board but Members need something concrete, and we understand federal managers make the decisions, but not having a specific date prevents the merchants from making decisions, we've seen moving of our businesses already, they just cant stay without a date,*
- *we are hoping to do more events for consistency*
- *Winterlude is coming back and this will help with it, a first test, first event where you can't control visitors, no gates, no tickets, but it is proceeding as is*
- *If this goes off well then we will play it by ear for our other festivals, we are planning a full schedule*
- *Scott mentioned the Santa claus parades, and such*
- *Kevin said it will be really interesting to see Toronto Distillery District as well, the return to events*
 - c. **CEWS update** - as seen above as part of audit

7. Budget 2022

- **Patio Fees** - *we are ahead in our normal budget, it is not being presented as a vote, BIA will sign on first and do their financials first and then MA will come online, AGM will be in January, the budget needs to be in hands of council by January 21*
Full event schedule for 2022 means not extra wheels,
Good film shoot revenue, we expect to see the return of that
 - *Advertising Kiosks lower on that, traffic numbers are down, they control LCD screens in bus shelters and advertisers prefer those to static*
 - *City of Ottawa not charging patio fees in 2022 – puts a lot of pressure on MA to not charge as well, 80K is 17% of our funds, we can go to surplus or attempt to collect through general levy*
 - *Administration side, making sure we are as tight as possible on compensation, conferences,*
 - *No plans to expand*
 - *Would like to install mums, leave 10% for capital project repair/additions*
- a. Unexpected shortfalls
- b. 2022 Budget –First Look Kevin reviewed the 2022 budget and its nuances

Bill Leonard

- 8. **Other Business** - ACTION: Please add Scott Lennon to the Board Meeting distribution list

Adjournment - *Scott Lennon, seconded Michael Swan*

Next Meeting – December 13