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LE PROJET DES ATELIERS CASTELNAU

Memorandum for the Office de consultation publique de Montreal

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[Introduction]

3100545 Canada Inc. wishes to submit this memorandum to voice their opinion in public hearings conducted by the Office de consultation publique de Montreal on the conversion of the Ateliers Castelnau into residential complex by the proposed Projet immobilier - Les Ateliers Castelnau.

From the outset, the 3100545 Canada Inc. wishes to acknowledge the wisdom that the municipal authorities and the promoter of this project have used when submitting their work for consultation in the Office de consultation publique de Montreal.

The objective of this paper is to propose improvements and contribute constructively to the debate on the issues surrounding the conversion of 65-95 Castelnau, highlighting the essential elements to maximize the benefits and minimize negative impacts.

3100545 Canada Inc. would like to voice their perspective on the Projet immobilier - Les Ateliers Castelnau influence on the following four items:

- 1. Economic impact of residential encroachment on one of the few economic / commercial districts available to l'arrondissement de Villeray– Saint-Michel–Parc-Extension (VSP)**
- 2. Straining an already extreme parking crisis in the Castelnau Zone.**
- 3. Achieving long-term neighborhood development concerning social inclusion for family and community based housing.**
- 4. Impact on real-estate taxes for the commercial buildings in the Castelnau Zone adjacent to the Projet immobilier - Les Ateliers Castelnau.**

In addition, this paper aims to reiterate the commitment of our corporation in respect to the revitalization and the economic diversification of the borough, improving the quality of life and sustainable development in Villeray-Saint-Michel-Parc-Extension and the city of Montreal.

Area map of the Castelnau Zone¹:



- 1. Economic impact of residential encroachment on one of the few economic/commercial districts available to l'arrondissement de Villeray–Saint-Michel–Parc-Extension (VSP)**

It is the opinion of 3100545 Canada Inc. that the Castelnau Zone is a valuable economic/commercial district to Villeray–Saint-Michel–Parc-Extension (VSP). Changing parts of it to exclusively residential is a permanent and irreversible alteration. The 65-95 Castelnau building is substantial in size and in also the heart of the Castelnau Zone. These factors place the final version of the Projet immobilier - Les Ateliers Castelnau as having major impact on the image, identity and function of the Castelnau Zone as both a healthy neighbourhood and a revitalized economic sector.

“The renewed commercial potential for the Castelnau Zone has been known for some months, marked with a renewed economic interest, and for several reasons:

- its proximity to the infrastructure of public transport (metro Parc, metro de Castelnau, and Parc train station)
- its central location near major highways (Highway 15 and 40)
- it is located at a radius of less than a kilometre from one of the major projects that help make Montreal a city of interest in the knowledge economy, like the construction of Site Outremont de l’Université de Montréal.
- its proximity to the Computer Research Institute of Montreal (CRIM)
- its proximity to major traffic generators such as Jean-Talon Market and Little Italy
- the development of its southern neighbour, the Mile-Ex or district of architects, which is very popular.

There seems to be great interest in the sector, particularly among technology companies and from the knowledge economy (e.g. Savoir-Faire Linux, businesses Space 360 and the imminent arrival of Gameloft).

- several projects are underway, including the renovation of the 7250 Mile-End, a megastructure of 31,958 m², the revitalization of 7250 Marconi and that of 7240-50 Clark.
- the potential for economic development and employment is huge for years to come. With only these three projects, the sector has the potential to accommodate 3,000 to 4,000 additional jobs.

However, despite the announcement of the imminent arrival of 2,600 workers in the sector, it is a fragile area.”¹

Mishandling the final design of the Projet immobilier - Les Ateliers Castelnau could seriously undermine the progress already made in the revitalization of the Castelnau Zone as a new economic/commercial HUB for Villeray–Saint-Michel–Parc-Extension (VSP).

3100545 Canada Inc. would like to make the following recommendations:

- The Projet immobilier - Les Ateliers Castelnau should be a true “mixed use” building. The RDC and the possibly 2nd floor on the entire Rue Castelnau side should not be residential, but rather offer commercial space to a diversity of small and medium sized businesses, supporting a mix of uses such as office, retail and some service industry (restaurants or small cafes). If need be the elevation of the buildings should be allowed increase. This structural addition in combination with it’s central location in the Castelnau Zone will make the building a central point of interest and give a type of “Village Square” effect for the Castelnau Zone residents and workers to revolve their activities around.
- A small one or two car lane roadway or a “green” pedestrian promenade extension to Rue St.Urbain or Rue Clark should be considered between Rue Gary-Carter and Rue Castelnau to connect residents and workers of the Castelnau Zone with a pleasant alternative route to reach the Jarry Park and its facilities. This roadway could also aid in overflow parking during the annual tennis competitions and festivals held in Jarry Park.

2. Straining an already extreme parking crisis in the Castelnau Zone.

There is a distinct shortage of parking spots in the Castelnau Zone. The private parking arrangements that exist are poorly planned and many are exclusive, as well as there are a large number of no parking zones on the public roads. The annual tennis competitions and festivals held in Jarry Park, make parking in the area untenable for the local residents and workers during the active season.

3100545 Canada Inc. would like to make the following recommendations:

- Any residential project to be developed in the Castelnau Zone should be obliged to provide at least one parking spot for each new unit address constructed. This should prevent the crisis from becoming worse and possibly provide relief options for some of the residents of recent residential development projects in the area that were left without parking spaces.
- The number parking spots available in the Projet immobilier - Les Ateliers Castelnau should be increased significantly from the current planned “246 parking spots”² for the “369 condo units”² to something more balanced like 350 or 370 parking spots for the “369 condo units”².

3. Achieving long-term neighborhood development concerning social inclusion for family and community based housing.

The Projet immobilier - Les Ateliers Castelnau appears to be focusing quite heavily on constructing single person dwellings of a rather small area by square meter. These units with small living areas are permanently committed to a specific use by single dweller with no options for modification in use or configuration.

The client profile for a user of this type shelter is an individual that will be temporary and have no long-term vested interest in the neighborhood. Most people eventually go on to start families and move on from a lifestyle of living in a one or no bedroom shelter and thus constructing large concentrations of spaces like this could have negative consequences on the neighborhood.

If future economic conditions for single hi-income earners change for the negative a large number of these type of units could end up either vacant very quickly or overpopulated with many individuals or even families cramming themselves into insufficient amounts of space to sustain a normal level of living standard.

This scenario would have disastrous impact on both the future Projet immobilier - Les Ateliers Castelnau Condo Association, and the community of residents and businesses in the Castelnau Zone.

The idea to create “(15%) new logements socio-communautaires and (15%) logements abordables and their total (30%)”² representation in square meters of the project is an agreeable point for the Projet immobilier - Les Ateliers Castelnau.

3100545 Canada Inc. would like to make the following recommendations:

- The number of single person dwellings designed in the project should be reduced significantly. That is the number of “one bedroom or no bedroom (Studio) units should be reduced from the current planned 54%”² to something more balanced like 25% or 30% of the total square meters of available habitable space.
- The number of “2 or 3 bedroom homes suitable for families should be increased significantly. That is the number of two bedroom or three bedroom units should be increased from the current planned 36%”² to something more balanced like 60% or 75% of the total square meters of available habitable space.

4. Impact on real-estate taxes for the commercial buildings in the Castelnau Zone adjacent to the Projet immobilier - Les Ateliers Castelnau.

3100545 Canada Inc. as well as several other commercial property owners in the Castelnau Zone are currently engaged in and are committing large amounts of their resources to the revitalization of the Castelnau Zone as a new economic/commercial HUB for Villeray–Saint-Michel–Parc-Extension (VSP).

The premise of offering medium and high-end commercial space to startups, developing companies and some known industry giants in the software, technology and other sectors is the prime directive. Attracting these companies both internationally and from competing zones in the city of Montreal is accomplished chiefly by the ability of the local commercial property owners to offer relatively low and thus affordable rents to emerging enterprises.

The prospect of having an exclusively residential development encroach on the Castelnau Zone without contributing to the revitalization effort by its very design and the possibility of pushing the parking crisis over the edge is of great concern for both 3100545 Canada Inc. as well as many other local commercial property owners.

This concern is further aggravated by the potential for baseless property tax increases upon the commercial property owners in the Castelnau Zone, simply by merit of being adjacent to a newly designated residential project which was imposed upon them by no request of their own.

Such a development would force the commercial property owners in the Castelnau Zone to forward the cost of the potential property tax increases to the end users by increasing the rent in tandem.

As the potential tax increase and the current design of the Projet immobilier - Les Ateliers Castelnau provides no benefit to the economic/commercial revitalization effort and in fact makes it more costly enterprises to operate, it is our concern that the commercial properties in the Castelnau Zone would cease to be competitive with other zones in the city of Montreal.

This scenario would cut off the forecast growth in the creation of new and local jobs in the Castelnau Zone and possibly spur and exodus of both commercial property owners and enterprise from the vicinity.

3100545 Canada Inc. would like to make the following recommendations:

- The suggestions collected by the Office de consultation publique de Montreal should be considered very seriously before the proposed development of Projet immobilier - Les Ateliers Castelnau goes any further. Projet immobilier - Les Ateliers Castelnau should be reexamined and modified in designed to contribute more to the image, identity and function of the Castelnau Zone as both a healthy neighbourhood and a revitalized economic sector.
- Commercial property owners engaged in the revitalization of the Castelnau Zone as a new economic/commercial HUB for Villeray–Saint-Michel–Parc-Extension (VSP) should be given more opportunity to apply for amnesty from potential property tax increases caused by the development of the Projet immobilier - Les Ateliers Castelnau.

Conclusion and General recommendation:

3100545 Canada Inc. wishes to reiterate the importance of preserving and developing employment areas integrated in the residential and commercial fabric of our neighborhoods. “It is an asset that makes neighborhoods in Montreal the most successful and attractive for investors.”¹

“The major residential developments (the to date, 900 homes that are planned)”¹ and have begun construction in the Castelnau Zone in recent years have concerned 3100545 Canada Inc. about the potential for future developments.

Although 3100545 Canada Inc. notes “the creation of many jobs in the Castelnau Zone, especially in buildings belonging to promoters Kevric, Fox and Montoni and Rosdev, it finds that the Projet immobilier - Les Ateliers Castelnau irreversibly subtracts a very important building with a commercial vocation.”¹

“It is important that the Villeray-Saint-Michel-Parc-Extension continue the planning and development of the Castelnau Zone according to the principles laid down by the PDUES. This work is already observable in other sectors of the PDUES area insofar as revitalization projects of industrial buildings that are in progress and will welcome several companies and thousands of jobs.

This is particularly relevant when the OCPM has published its report “Plan de développement de Montréal”, which clearly offers the preservation of employment areas in social areas.”¹

3100545 Canada Inc. is concerned that the area and may stagnate without the preservation of the economic/commercial buildings in the Castelnau Zone. 3100545 Canada Inc. is dedicated to providing quality commercial space at affordable rates to young entrepreneurs. It is our wish that the Villeray-Saint-Michel-Parc-Extension joins us in our vision of revitalizing the Castelnau Zone and support local commercial property owners in the preservation of spaces that will host quality jobs for young entrepreneurs.

Yours truly,

Ian Ellbogen

3100545 Canada Inc.

Sources:

¹ Mémoire CDEC CENTRE-NORD déposé dans le cadre de la consultation de L’Office de consultation publique de Montréal - Mars 2014

² Documentation déposée par le promoteur sur <http://ocpm.qc.ca/node/4090>: (3.6 - Présentation des promoteurs à la séance d’information du 17 Février 2014)