

Report



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| Report No. OCS 2021-01 | To: Council | Prepared By: Shawn Binns |
| Meeting Date: February 16, 2021 | Subject: Horseshoe Valley Community Centre Partnership Update | Motion # _____ |
| Roll #: | | R.M.S. File #: |

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| Recommendation(s): | Requires Action <input type="checkbox"/> | For Information Only <input checked="" type="checkbox"/> |
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It is recommended that:

1. Report OCS 2021-01 be received and adopted;
2. That Council approve the project scope as outlined in Option 2;
3. That staff continue to advance and finalize the ownership and operating agreements with the Simcoe County District School Board for Council's consideration;
4. That staff be authorized to complete the necessary tree removals to facilitate preliminary site works;
5. That updated communications be prepared and shared with the community;
6. And That Council be updated on the project status as part of the corporate project status report.

Background:

The Township and the Simcoe County District School Board (SCDSB) have been working in partnership to develop a new elementary school / community centre facility on the Township owned twenty (20) acre site located at 739 Horseshoe Valley Road.

Summary of current project status:

- Site has been determined as 739 Horseshoe Valley Road.
- Memorandum of Understanding has been executed with SCDSB.
- All required planning studies have been completed.
- Salter Pilon has been selected as the Architect.
- Size of school portion of the project is 357 pupil places:
 - 3 Kindergarten classrooms
 - 11 regular classrooms

- 1 Learning Centre
- 2 resources rooms
- Gymnasium/Change Rooms
- Library
- General purpose room
- Approximately 36,324 square feet
- Target completion date for the facility is September 2023 (pending final Ministry approvals to proceed, other agency approvals, assuming no significant constructions delays due to weather/labour issues).
- Accommodation plan/attendance area review will be a separate Board process.
- Concept design, ingress/egress, massing and site fit exercises have been completed by the architect.
- Geotechnical, hydro-geological and supplementary traffic studies have been completed.
- Detailed design and servicing plans are currently underway for school and anticipated Township community centre scope.
- Draft agreements with SCDSB largely completed and will be finalized following the finalization of the scope of Township facilities.
- Council has approved scope to include:
 - Full size gymnasium (shared with SCDSB)
 - Multi-purpose program space (approx.4000ft2)
 - Trails and site master plan (to follow)
 - Council also authorized a review to consider the feasibility a fitness centre and walking track.
- The Township has submitted a funding application for the full project scope as part of the Ontario Investing in Canada's Infrastructure Program in November 2019 and was advised in the fall of 2020 that it was not successful in its application.

Background Reports

Township of Oro-Medonte [Strategic Facility Plan](#)

Staff reports:

[OCS 2017-28](#) Partnership Opportunity – Simcoe County District School Board

[OCS 2018–18](#) SCDSB School Community Centre Partnership Update

[OCS 2018-24](#) SCDSB School Community Centre Partnership Update

[OCS 2019-03](#) SCDSB School Community Centre Partnership Update

[OCS2019-30](#) Investing in Canada Infrastructure Program Community Culture and Recreation Stream

[OCS2020-01](#) Horseshoe Valley Community Centre Site Work

The intent of this report is to provide an update on the project and to seek approval on the scope of Township facility components.

Analysis:

As referenced in previous reports, Council has approved the project scope for the Township facility components to include:

- Full size gymnasium (shared with SCDSB)
- Multi-purpose program space (approx.. 4000ft²)
- Trails and site master plan

In addition, Council has authorized a review to consider the feasibility of a fitness centre and walking track.

The project has advanced in an evolutionary manner, recognizing the unique considerations of the partnership and the fact the Township has not yet fully defined the scope of its components of the facility. The Investing in Canada Infrastructure Program Community Culture and Recreation Stream Grant also provided an opportunity to potentially augment the Township's project budget and scope, if the Township was successful in its application.

Given the dynamic nature of the project evolution and uncertainty of success in external funding, a number of options were reviewed throughout the conceptual design stage.

The following is summary of the project scope elements that have been reviewed and considered:

Review of indoor walking track

An indoor walking track above the gymnasium was reviewed through the conceptual design stage. While the track would provide a unique element and opportunities for indoor walking and running in winter and inclement weather, it presented the following logistical challenges:

- Protection of privacy and safety of students (SCDSB side) which would necessitate costly modifications to the track to address.
- Layout would require two storey development.
- Little opportunity to derive revenue (cost recovery) from the track.
- Cost to complete this component was estimated at approximately \$1.75 Million (Class "C" estimate).

Due to these barriers, an indoor walking track was not advanced any further.

Fitness Centre

The ReThink Group was retained to further review community needs and undertake a market study for a potential municipal fitness centre (**attachment #1**). The review has concluded that given the *size and characteristics of the population within the market area, the supply of facilities in the region, the location and the type of facility being considered, industry market indicators/trends and local demand indicators substantiate*

there is sufficient demand for a municipal fitness facility in the Township of Oro-Medonte (Rethink, 2019).

Multi-purpose program space

In considering the input obtained from the community engagement program, the multi-purpose program space has been designed to be used for a wide array of uses and includes a teaching kitchen to support larger events. The space would also be capable of hosting Council meetings in the future should this be determined as a future need.

Full Size Gymnasium

To accommodate a variety of sports program and to leverage the partnership with the SCDSB, a full size 8000 ft2 gymnasium is proposed. The gymnasium would be separated by a retractable divider providing the Township and SCDSB dedicated gymnasium space and the ability to permit use from each other for uses when the full gymnasium is required.

The SCDSB is also currently planning a multi-purpose room which would provide a potential opportunity for further permitting and sharing facility space.

Municipal Service Accommodation

To address the current space limitations at the Township Administration Office (148 Line 7 South) and the anticipated growth along the Horseshoe Valley Corridor and associated service needs, additional customer service and office space has been included in the design. While the service offerings and fit up of this space has not been fully outlined, it is anticipated that this will be further informed by the completion of the Core Service Review and Accommodation Plan.

Two design options

Option 1 – Full build out of proposed facility elements (*attachment 2*).

Through the design iteration, two options have emerged. The first option would include all of the proposed facility elements while providing consideration for future additions. The cost to construct and build out the Township’s facilities in this option would in the order of \$15 Million.

Option 2 – Optimizing facility elements within the current budget allocation and allowing for potential future expansion (*attachment 3*).

This option includes the full size gymnasium, programming space and service/accommodation consideration as well as ancillary facilities with provisions to allow future phasing. This would optimize the Township’s current budget allocation of \$7 Million.

While not reviewed in any significant detail, in the event Council was not comfortable with either option, a third option to modify Option 2 to only include the shared gymnasium and washrooms could be considered. This would reduce the level of investment required, but would fall short of meeting community needs and expectations in addition to presenting challenges for future phasing.

Financial considerations

Investing in Ontario's Infrastructure Grant

In November 2019, the Township submitted a funding application to the Investing in Ontario's Infrastructure, Community Culture and Recreation Stream for \$16 Million (total project cost) for the full project scope (inclusive of track). The grant program would provide 73% of the total project cost through provincial and federal funding. Unfortunately, in the fall of 2020 the Township was advised it was not successful in its application.

Current budget

The current project budget allocation is \$7,050,000 funded from development charges (\$4,400,000), new debt (\$2,500,000) and reserves (\$150,000). This includes \$1 million in funding allocated for administrative space (100 % DC funded).

Option 1

As previously identified the cost to complete the full buildout of the Township's proposed facility program would require a capital investment of approximately \$15 Million.

Pro-forma operating costs have been developed and estimated at approximately \$391,000 annually (2020 \$) net of projected fitness centre and rental revenues.

If this option was considered a financing strategy would be required to address both the additional \$8 million capital funding requirements and the incremental annual base budget adjustment associated with the facility.

Option 2

This option has been designed to optimize the facility elements according to the current approved budget allocation and potential benefits derived from the SCDSB partnership.

Pro-forma operating costs have been developed and estimated at approximately \$259,000 annually (2020 \$) net of projected revenues. Like option 1, the 2023 operating budget would require an adjustment to reflect costs associated with the facility. While this would be an incremental increase, new costs would be partially offset by assessment growth.

As option 2 considers a phasing approach it should be noted that capital costs for future expansion of facilities will continue to escalate and constructing a future addition will require some “rework” and cause disruption to operations. However, this does provide an opportunity to further review external funding sources to offset capital costs.

Both option 1 and option 2 do not include provisions for other Township services as these have yet to be fully defined.

COVID-19 considerations

There remains to be much uncertainty surrounding the new realities following COVID-19. While augmented health screening and infection control may be a new reality, it is unlikely that the COVID-19 pandemic will negatively impact demand for community facilities. In all likelihood demand will increase as people look to re-engage and partake in community sport and activities.

COVID-19 has also had dramatic increase in the cost of construction. This presents a risk that will need to be managed as the project evolves.

Recommended approach

Based on current funding limitations and needs across the Township, it is recommended that Council approve the project scope as outlined in option 2 while allowing provisions for future phasing. This will provide much needed community facilities while allowing potential for future expansion.

Agreement with the Simcoe County District School Board

The ownership and operating agreements continue to advance with the Simcoe County District School Board. The agreements will be structured in a manner to provide for the long term management of the facility and be based upon principles of proportional share. Following the finalization of the Township’s project scope, the Township and School Board will be in a position to finalize these agreements for approval of Council and the Simcoe County District School Board.

Next Steps

- Commence preliminary site works and tree clearing prior to April 1 (migratory bird season). It is anticipated that this work will commence end of February and be completed by end of March. The limits of the tree removals are depicted in ***attachment 4***.
- Provide notification and communications to Oro Hills Subdivision and adjacent property owners of site work/tree clearing activity.
- Prepare communications to provide project status update to the community.

- Finalize agreements with the SCDSB.
- Conduct virtual community information session (target mid-April).
- Finalize design and updated cost estimates and report back to Council.

Corporate Strategic Goals:

- Inclusive, Healthy Community
- Enhanced Communication and Customer Service
- Balanced Growth
- Continuous Improvement and Fiscal Responsibility

Consultations:

- Development Services
- Simcoe County District School Board
- County of Simcoe
- Municipal Law Enforcement
- Nottawasaga Valley Conservation Authority
- Project architectural, engineering and environmental consultants
- Community consultation – market study and needs assessment

Attachments:

Attachment # 1 Rethink Group Market Study for Township Fitness Centre

Attachment # 2 Option 1 – Full build-out of proposed facility elements

Attachment # 3 Option 2 - Optimizing facility elements within the current budget allocation and allowing for potential future expansion

Attachment # 4 Preliminary Site Works / Tree Clearing

Conclusion:

The partnership with the Simcoe County District School Board for a new elementary school / community centre presents a unique opportunity to leverage public resources and develop a facility to meet the evolving needs of the community.

This project has followed a dynamic path, which is inherent in the evolutionary nature of a partnership. Following direction of Council, the project has been advanced to include approved scope elements and refined based on feasibility and funding available. This report has reviewed the feasibility of the inclusion of indoor walking/running track and fitness centre and included two facility development options for Council's consideration.

To continue to advance the project and structure an agreement with the SCDSB, the Township must finalize the project scope. Based on current funding limitations and needs across the Township it is recommended that Council approve the project scope as outlined in option 2 while allowing provisions for future phasing. This will provide much needed community facilities while allowing potential for future expansion.

Following a decision of Council on the project scope, preliminary site works and tree clearing is scheduled to take place prior to April 1, 2021.

Further updates will be shared with the community and a virtual community information session schedule for April 2021.

Respectfully submitted:

Shawn Binns, PBDM, MBA
Director, Operations and Community Services

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| SMT Approval / Comments: | C.A.O. Approval / Comments: |
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