

# Township/SCDSB Partnership

February 24, 2021  
2021/2022 Budget Presentation



# Purpose

To provide additional clarity, background and context to staff report OCS2021-01.



# Background

## Strategic Facility Plan (2010)

1) Developed to provide an **attainable approach/strategy to provide recreation, arts and culture facilities** (including libraries) over the next 20 years in the Township.

The plan reviewed and considered:

- Population growth and demographic shifts
- Recreation and leisure trends
- Partnership opportunities and development plans in neighbouring communities
- Current and future needs determined through a holistic consultation program,
- Condition of buildings and investment required

Provide a strategy for the management of facilities to meet the current and changing needs of the community.

Recommendation to develop a new community centre to serve the growth along the Horseshoe Valley Corridor to provide space suitable for floor based fitness/wellness programming for all ages, and specifically an aging population.

The plan further recommended the facilitation of partnerships and pursuing opportunities with the School Board to provide a full-size gymnasium for both the school and community.

# Community Need

The need for a facility to serve the growing population is further substantiated by:

The closures of a number of community facilities, specifically:

Ian Beard Community Room (now part of HNPLC)

Pine Ridge Ski Club

Indian Park Association Recreation Centre (Sugarbush)

Craighurst Community Hall

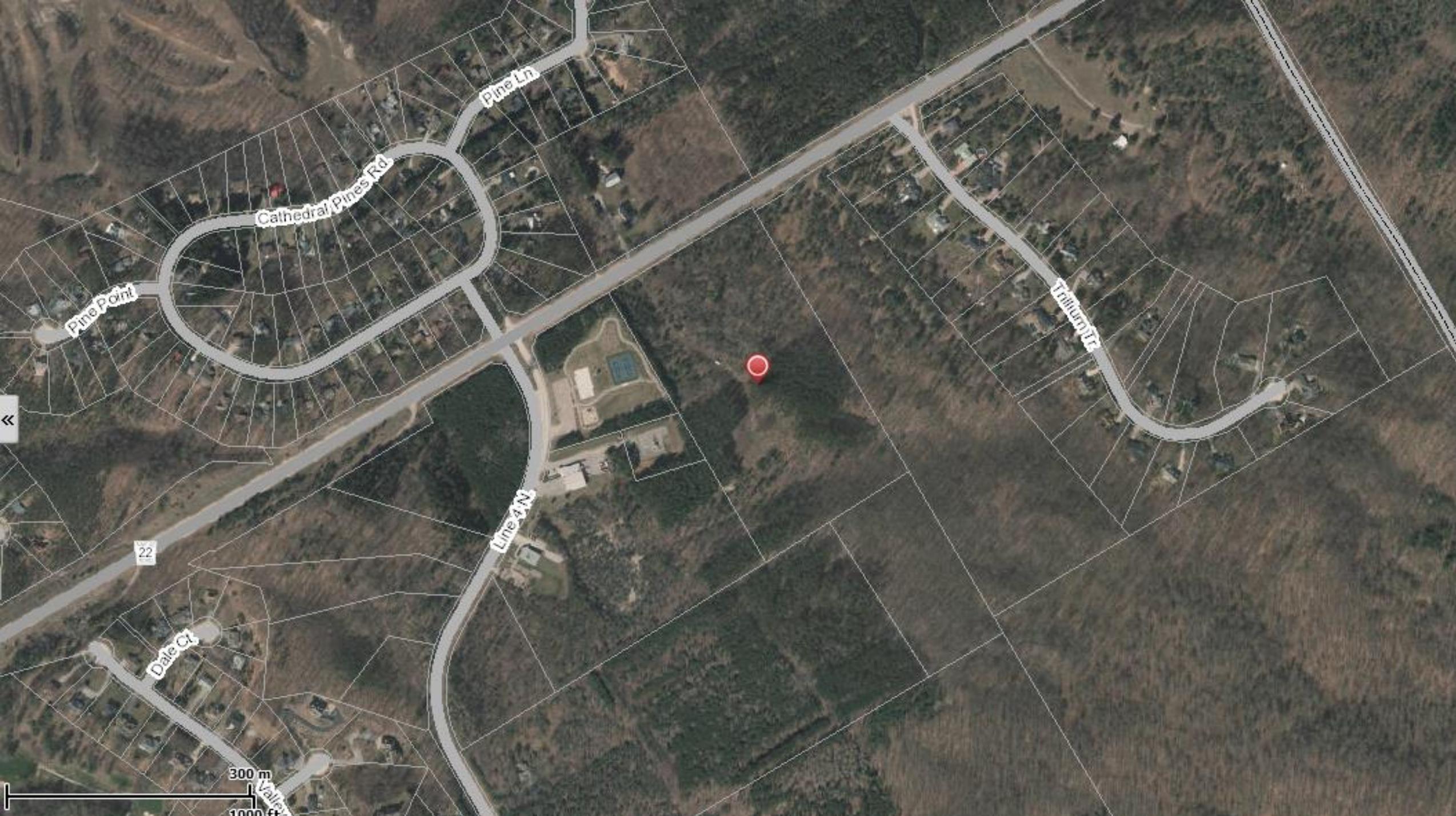
Growth and development

Changing community needs

Customer/community satisfaction surveys and engagement

# Acquisition of 739 Horseshoe Valley Road

- Acquired in 2013
- 19 Acre Property
- Adjacent to Horseshoe Valley Memorial Park, Fire and Emergency Service Station 3 and the Huronia Nurse Practitioner Clinic for future municipal facility requirements.



Pine Ln

Cathedral Pines Rd

Pine Point

22

Dale Ct

Line 4N

Trillium Dr

300 m

1000 ft



# Project Evolution

Township initial plans included provision for stand-alone facility to provide multi-purpose program space.

## 2017

- Opportunity for partnership with SCDSB

## 2018

- Memorandum of Understanding executed with SCDSB
- SCDSB receives provincial approval to construct new elementary school in the Horseshoe corridor
- Community consultation program undertaken
- Council confirmed and approved conceptual project scope to include a full size gymnasium, Multi-Purpose Space/Kitchen (Township), multi-purpose trails and the development of a site master plan subject to further review and approval by Council. Authorization to review feasibility of indoor walking track and fitness centre.
- Municipal service accommodation added to scope as part of Township accommodation and service planning.

## 2019

- Site confirmed as 739 Horseshoe Valley Road
- Council approved *Tenants in Common* approach to structure agreement with SCDSB
- Updated development charges ByLaw completed reflecting anticipated costs
- ICIP Grant submitted for full scope

## 2020

- Notification that Township was not successful in ICIP Grant

Design  
Studies

Agreement

# Two emergent 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.

A potential third option

**Option 3** – Double gymnasium with reduction of some washroom spaces and fitness room.

# Considerations

**\$7,050,000** currently allocated to project – OCS2021-01 identified funding from development charges \$4,400,000, new debt \$2,500,000 and reserves \$150,000.

Includes \$1 million for administrative space – 100 percent development charge funded.

Development charges calculations are project specific identified through the Development Charges Bylaw and take into consideration base levels of service, benefit to existing population and development related infrastructure requirements. They cannot be used for other projects.

Any reduction to the budget would necessitate a reduction to development charges allocation. For example if the Township were to reduce the Recreation facility space by 2000 ft<sup>2</sup> this would result in cost reduction of \$680,000 (using \$340 per ft<sup>2</sup>). As development charges have been calculated at approximately 56%, the Township would only realize a \$300,000 or 44% or reduction in tax funded project costs.

New facility will require an adjustment to operating budget (2023) with increased service level.

# Considerations

Servicing costs / external works i.e. earthworks, utilities, laneways, parking areas, septic etc form a significant portion of the budget +/- \$2 Million Estimated Township Share. Future needs/expansion considered in project scope.

Soft costs i.e. architectural / engineering contract approximately 6% of contract value – OAA standard contract.

Costs estimates will continue to be refined as project evolves.

Agreements with SCDSB will review ownership, cost sharing, and ongoing operations and maintenance.

Following the initial discussion with Council on February 19, 2021 – the option to further reduce the scope **(Option 3)** was reviewed. If the objective was to reduce cost, the design could be refined to rework/reduce washrooms spaces, eliminate program room and further reduce additional spaces (corridor etc.). This could yield a reduction of approximately 2000-3000 ft<sup>2</sup> @ an estimated construction cost of \$340 ft<sup>2</sup> which would result in savings of \$680,000-\$900,000. The tax funded savings to the Township would be 44% of these amounts given the DCA allocation. Further additional costs would be incurred for architectural work and this would result additional future costs (rework) if/when the facility is expanded.



# Considerations

This project presents a significant opportunity to leverage Township resources through the SCDSB partnership and optimize the benefits to Township tax payers.

The project has followed an evolutionary process to advance the project to the current stage.

Provisions have been made to address future Municipal needs and capitalize on opportunities.

The project will have a number of other check points with Council as it evolves i.e. SCDSB agreements, procurement.

This project should not be viewed in isolation of the provision strategy for recreational amenities across the Township which has and continues to evolve with the needs of our community.



# Recommended approach

It is recommended that Council approve Option 2 to leverage the current funding allocation to optimize the functionality and benefits of the facility while allowing provisions for future phasing.

It is further recommended that the funding strategy outlined in OCS2021-01 be revised to reflect the direction of the proceeds from the sale of the Fairway Court Parkland to the project as follows:

Project Budget \$7,050,000

\$4.4M from development charges

\$2.15M from debt issuance and

\$500,000 from the parkland reserve.

# 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 and share communication to provide project status update.

Finalize agreements with the SCDSB for Council's consideration.

Conduct virtual community information session (target mid-April).

Continue to advance and finalize design and updated cost estimates and report back to Council.



# Proposed resolution

1. That the Powerpoint presentation presented by Shawn Binns, Director, Operations and Community Services be received.
2. That OCS2021-01, Shawn Binns, Director, Operations and Community Services re: Horseshoe Valley Community Centre Partnership Update be received and adopted.
3. That Council approve the project scope as outlined in Option 2 which includes the following components: full size gymnasium, programming space, Township service accommodations and considerations for future phasing.
4. That Council approve funding of \$7,050,000 for Option 2 as follows:
  - a. \$4.4M from development charges, \$2.15M from debt issuance and \$500,000 from the parkland reserve,
5. That the estimated annual operating costs of \$259,000 (2020 \$) for the facility be included in the 2023 budget.
6. That staff continue to advance and finalize the ownership and operating agreements with the Simcoe County District School Board for Council's consideration.
7. That staff be authorized to commence the necessary site works (tree removal etc.).
8. That, updated communications be shared through the Township website and social media platforms as well as through a virtual information session.
9. And that a community outreach be undertaken to seek proposals for naming the new Township facility.