
TO: GENERAL COMMITTEE

SUBJECT: AUTHORIZATION TO APPLY FOR INVESTING IN CANADA INFRASTRUCTURE PROGRAM (ICIP) – COMMUNITY, CULTURE AND RECREATION FUNDING STREAM

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GENERAL MANAGER APPROVAL: D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES
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CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the Director of Corporate Facilities and the Director of Creative Economy be authorized to submit applications under the Investing in Canada Infrastructure Program – Community, Culture and Recreation Funding Stream for the following projects, in priority order:
 - a) The Hewitt’s Community Centre and Library under the Multi-Purpose Category as a joint application by the City and the Barrie Public Library; and
 - b) The Fisher Auditorium and Event Centre under the Rehabilitation and Renovation Category.
2. That the Mayor and City Clerk be authorized to execute any funding agreements associated with the applications.
3. That the Director of Legal Services (or designate) be authorized to negotiate an agreement of purchase and sale for the land identified in 2017 as the location for the Hewitt’s Community Centre and Library, and report back to General Committee with the agreement.

PURPOSE & BACKGROUND

Purpose

4. The purpose of this Staff Report is to provide recommendations regarding the projects to be submitted for the Investing in Canada Infrastructure Program – Community, Culture and Recreation Funding Stream.

Background

5. On September 3, 2019, the Province of Ontario released the Investing in Canada Infrastructure Program – Community, Culture and Recreation Funding Stream Ontario Program Guidelines. The Investing in Canada Infrastructure Program (ICIP) is a \$30-billion, 10-year infrastructure program cost-shared between the federal, provincial and municipal governments. Ontario's share per project will be up to 33.33 per cent or about \$10.2 billion spread across four streams: 1. Rural and Northern Communities, 2. Public Transit, 3. Community, Culture and Recreation, 4. Green Infrastructure.
6. Approximately \$407 million in federal funding and \$320 million in provincial funding will be available for the Community, Culture and Recreation stream over 10 years starting in 2019-2020. At least \$30 million of federal funding must be carved out for off-reserve Indigenous projects.
7. The following breakdown defines the maximum cost-share percentages of total eligible costs:

Contribution	Percentage
Federal Contribution	40.00
Provincial Contribution	33.33
Applicant Contribution	26.67

8. The Community, Culture and Recreation stream supports projects that will improve access to and/or quality of community, cultural, and recreation priority infrastructure projects. Priority is given to projects that are community-oriented, non-commercial and open to the public. Projects must be completed prior to 2027-2028.
9. In addition to federal criteria, the Province has identified that Ontario's objectives for the current proposed Community, Culture and Recreation stream project intake which are noted below.
 - Meets community and user needs or service gap;
 - Promotes good asset management planning;
 - Represents good value for money; and
 - Fosters greater accessibility
10. The projects that are submitted will be assessed based on their alignment with the above objectives.
11. The intake will include the following two categories of funding:

Multi-Purpose Category:

This project category focuses on the principle of integrated service delivery to address identified service gaps. The individual project cap will generally be \$50 million in total project cost, but exceptions may be made in some cases. Eligible projects consist of:

- new build / construction projects
- larger scale renovation
- expansion of existing facilities

Rehabilitation and Renovation Category:

This project category focuses on maximizing the funding impact of small-scale projects that would improve the condition of existing facilities. The individual project cap is \$5 million in total project cost. Eligible projects consist of:

- renovation and rehabilitations to address functionality and use of existing facilities
- Small-scale improvements to address accessibility (e.g., hand rails, ramps, accessible doors/parking/elevators, wayfinding and signage etc.)
- Small new build / construction projects of recreation, cultural or community centre infrastructure (e.g., playing fields, tennis courts, small community squares)

12. Eligible projects by asset type include:

- recreation facilities (e.g., hockey arenas, multipurpose recreation centres, playing fields)
- cultural facilities (e.g., theatres, libraries, museums, cultural centres, civic squares, performing arts centres);
- community centres / hubs (e.g., multi-purpose spaces that bring together a variety of different services, community centres including recreation facilities); and
- education and health facilities advancing Truth and Reconciliation Commission Calls to Action (e.g., funding for new and/or existing Indigenous healing centres, spaces in education facilities for traditional teaching/programming).

13. The additional details regarding the funding criteria are available at the program website http://www.grants.gov.on.ca/prodconsum/groups/grants_web_contents/documents/grants_web_contents/prdr019964.pdf.

ANALYSIS

Hewitt's Community Centre and Library

14. In 2017, studies were undertaken to determine recreation and library needs to support growth within the Hewitt's and Salem Secondary Plan areas. A conceptualization study was also undertaken which included developing a detailed functional programming along with a conceptual design for each facility to ensure site fit.
15. Through an analysis of neighbourhood demographics, broad trends in recreation participation, and the assessed recreation needs of the City of Barrie, the Hewitt's and Salem Mixed-Use Recreation Conceptualization Study recommended that the Hewitt's Recreation Centre and Library be sized with a gross floor area (GFA) of 239,946 square feet. (Recreation: 224,554 square feet; Library: 15,392 square feet). The Complex would include the following :
- a twin ice pad arena;
 - a 10 lane, 25 metre pool as well as a leisure pool and therapy pool;
 - a fitness centre;
 - a gymnasium;

- a library;
- multi-purpose rooms;
- rental or partner spaces;
- support and amenity spaces;
- outdoor spaces (soccer field, tennis/pickleball courts, basketball courts, splash pad, playground and skate park).

16. On November 20, 2017, City Council endorsed in principle the recommended locations, programs and facility concepts for the Hewitt's and Salem Mixed-Use Recreation Centres and Libraries as set out in the Conceptualization Study for these facilities.
17. In order to address the delay in the timing of growth in the Hewitt's and Salem lands and the City's financial constraints, as part of the 2019 Business Planning process and capital plan prioritization, the timing for both facilities was deferred. Based on the 2019 to 2028 Capital Plan, the Hewitt's Recreation Centre and Library construction timeline was adjusted to a 2023 start and 2025 for completion.
18. The Hewitt's Community Centre and Hewitt's Branch Library were identified as a multi-year projects (FC1085 and FC1086) in the 2019 to 2028 Capital Plan with cost estimates, funding sources and timing as follows:

Total Project - Community Centre + Library					
Funding	2016	2023	2024	2025	Total
Debt Proceeds - DCs	\$ -	\$ 8,127,000	\$ 46,575,000	\$ 46,125,000	\$ 100,827,000
Debt Proceeds - Tax	\$ -	\$ 300,000	\$ 5,175,000	\$ 5,125,000	\$ 10,600,000
Land Dedication	\$ -	\$ 2,970,000	\$ -	\$ -	\$ 2,970,000
Contribution from Development Charge Reserves	\$ 144,000	\$ -	\$ -	\$ -	\$ 144,000
Contribution from Cash-In-Lieu Parkland Reserve	\$ -	\$ 603,000	\$ -	\$ -	\$ 603,000
Contribution from Tax Capital Reserve	\$ 16,000	\$ -	\$ -	\$ -	\$ 16,000
Total - Funding	\$ 160,000	\$ 12,000,000	\$ 51,750,000	\$ 51,250,000	\$ 115,160,000
Expenditures					
Pre-design	\$ 160,000	\$ -	\$ -	\$ -	\$ 160,000
Property	\$ -	\$ 9,000,000	\$ -	\$ -	\$ 9,000,000
Design	\$ -	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000
Construction	\$ -	\$ -	\$ 51,750,000	\$ 51,250,000	\$ 103,000,000
Total - Expenditures	\$ 160,000	\$ 12,000,000	\$ 51,750,000	\$ 51,250,000	\$ 115,160,000

19. On January 28, 2019, City Council adopted motion 19-G-016 as amended concerning the 2019 Business Plan. Paragraph 28 of the motion directed the following:
- “28. That staff in the Finance, Corporate Facilities Department and the Recreation Services Departments develop a strategy to advance the new Hewitt's Community Centre and report back to the City Building Committee.”
20. Subsequently, on March 25, 2019 City Council adopted motion 19-G-065 concerning the approval in principle of the Outdoor Recreation Facility and 2017 Update to the Parks and Recreation Growth Strategy, with an amendment to the Growth Study to include the provision for a 50 metre pool in one of the proposed new community centres.
21. The amount of land that is designated for the Hewitt's Community Centre and Library is approximately 18 acres. As a result, the site is relatively tight and there is insufficient land available on the site identified for the Hewitt's Community Centre and Library to add a 50 metre pool, unless other programming features such as the ice pads are removed.

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22. The most significant challenge associated with advancing the Hewitt's Recreation Centre and Library Project is one of financing, given its \$106M design and construction cost. This cost doesn't include the acquisition of the land required for the Centre and Library.
 23. On May 2, 2019, the Minister of Municipal Affairs and Housing announced the Province's Housing Supply Action Plan and introduced Bill 108 (More Homes, More Choices Act) in the Legislature. The Bill amended 13 statutes including the *Development Charges Act*.
 24. This Bill has had a significant impact on the City's financial condition, the ability to ensure that "growth pays for growth" and the provision of community facilities (parks, recreation and cultural centres, libraries, etc.). It has also impacted the City's ability to secure parkland.
 25. Due to the uncertainty created by the introduction of Bill 108 with respect to the dedication of lands and the collection of development charges or other revenues for the growth related costs associated with "soft services" such as recreation and cultural centres and libraries, it is no longer certain that development charges or their replacement community benefit reserve will be adequate or available to address this project.
 26. As such, staff believe that the Hewitt's Community Centre and Library would make an excellent project for ICIP funding. With a total project cost of approximately \$105.5M (excluding land cost which is ineligible) and grant funding capped at \$50M, the grant funding breakdown could be as follows:
 - Federal at 40% - \$20M
 - Provincial at 33% - \$16.5M
 - City - \$69M
 27. There is also the potential that projects with a value of over \$50M may be approved, therefore the potential exists that more funding might be available. Staff are currently in discussions with representatives from the Ontario government regarding additional criteria or information required for the Hewitt's Community Centre and Library to be considered for funding allocation based on the full value (or a value greater than \$50M).
 28. As the location for the Hewitt's Community Centre and Library has been previously endorsed and ownership of the land would be required to be approved for the funding stream, staff are seeking authorization to negotiate an Agreement of Purchase and Sale for the subject lands. Once the terms have been negotiated, the agreement would be presented to General Committee and Council for approval.

Fisher Auditorium and Event Centre

29. In 2017, an opportunity to consider a high capacity performing arts centre in the City's downtown arose, when HIP Developments approached the City regarding the existing W.A. Fisher Auditorium on lands they had purchased from the Simcoe County District School Board. The need for a large capacity theatre space in the downtown had been identified in studies and reports dating back to 2006, referencing support for increased capacity in the cultural sectors, driving economic development in an intensified downtown and maximizing community and economic benefits of a cultural hub.
30. W.A. Fisher Auditorium was located within the former Barrie Central Collegiate, the oldest school in Simcoe County built in 1843. The school was deemed prohibitively expensive to refurbish by the Simcoe County District School Board (SCDSB) and it was closed at the end of the 2016/2017 academic year, with the auditorium closing following its final concert on May 11, 2016.

31. W.A. Fisher Auditorium was a successful community-funded initiative that provided both Barrie Central Collegiate and the broader Barrie community with a purpose-built space for large and varied performances. As originally constructed the auditorium held approximately 990 seats. While this number was later reduced to approximately 960 seats the W.A. Fisher Auditorium was, until its closure, the largest public performing space in Barrie and the surrounding region.
32. On June 26, 2017 City Council adopted motion 18-G-058 regarding the purchase and sale of land, resulting in City ownership of the W.A. Fisher Auditorium and associated parcel of land for both the Fisher project and the daylighting of Kidd's Creek.
33. Conceptual designs were undertaken utilizing the existing W. A. Fisher Auditorium structure and additional elements of Barrie Central Collegiate. In the design process, an opportunity was identified to include a conference centre upon the footprint of the existing structures. The inclusion of the conference centre element created expanded programming opportunities, addressed a recognized need for more meeting spaces in the downtown (particularly since the closure of the Kempenfelt Conference Centre), and would further enhance economic activity in the downtown.
34. Staff report CE008-17 that was presented to General Committee on September 25, 2017 included the conceptual design, operational plan, governance and funding models. Letters of support from cultural organizations were also included in the report, showing broad community support for the project.
35. On October 2, 2017 City Council adopted motion 17-G-225, regarding the potential development of a 650 seat multi-purpose cultural and events centre directing staff review seed funding options available to the municipality for the proposed Fisher project, with the intent of attracting sponsorship, investment and grant funding
36. The Class D estimated cost to build the facility was \$25.6 M. A funding model was presented to City Council that provided for one third of the costs being funded by federal and provincial grant funds, one third from the City of Barrie (potentially from Alectra dividends) and one third from a community capital campaign. The identified capital funding grant opportunities included Infrastructure Ontario/Infrastructure Canada funding, Cultural Spaces Canada and the Trillium Foundation.
37. On March 26, 2018, City Council adopted Motion 18-G-058, endorsing in principle the Fisher Auditorium and Conference Centre design option "A", subject to future capital prioritization and approvals, and directed Corporate Facilities staff to include the full cost of the facility in the 2019 capital plan. Staff were also directed to develop a capital funding campaign program to present to Council. The current capital plan incorporates the cost estimates, timing and funding sources for the project, as follows:

Funding Source	2018	2021	2022	2023	Grand Total
Strategic Priorities Reserve	\$750,000				\$750,000
Community Benefit Reserve		\$3,000,000	\$11,500,000	\$11,500,000	\$26,000,000
Total Budget	\$750,000	\$3,000,000	\$11,500,000	\$11,500,000	\$26,750,000

38. The Infrastructure Ontario/Infrastructure Canada funding was originally identified as a capital funding source for the proposed project in 2018. After a detailed review of the program requirements, staff believe that the Fisher Auditorium and Conference Centre is an excellent project for the ICIP Funding, under the Renovation/Rehabilitation stream.

39. Submitting an application for the Fisher Auditorium and Conference Centre, under the ICIP Rehabilitation and Renovation Category, is in line with Council direction to pursue grant funding opportunities for the project.
40. Since the ICIP program allows applicants to combine funding received through the Community, Culture and Recreation funding stream to be combined with funding from another project-based capital program, staff will continue to pursue additional grand funding opportunities for the Fisher project.

ENVIRONMENTAL MATTERS

41. There are no environmental matters directly related to the recommendation.

ALTERNATIVES

42. The following alternatives are available for consideration by General Committee:

Alternative #1

General Committee could receive this report for information purposes only and take no further action.

Although this alternative is available, it is not recommended. The City may be able to access significant Provincial and Federal funding to assist it in delivering important community, cultural and recreation projects.

Alternative #2

General Committee could recommend that both projects be submitted for the multi-purpose category.

This alternative is not recommended as it is unlikely that Barrie would be awarded two projects in this category.

Alternative #3

General Committee could recommend that only one of the projects be submitted.

This alternative is not recommended as there may be an opportunity to receive funding for both projects. Staff have been advised that it should prioritize its applications in any category.

Alternative #4

General Committee could recommend that different City projects be submitted for the ICIP funding.

While this alternative is available, it is not recommended as these two projects appear to most closely align with the eligibility criteria and would benefit the most from funding from other levels of government.

FINANCIAL

43. As noted earlier, the Hewitt's Community Centre and Library has an estimated total project cost of \$105.5M (excluding land cost which is ineligible). If capped at \$50M, the grant funding breakdown could be as follows:
 - Federal at 40% - \$20M
 - Provincial at 33% - \$16.5M
 - City - \$69M

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44. There is also the potential that projects with a value of over \$50M may be approved, therefore the potential exists that more funding might be available. Staff are currently in discussions with representatives from the Ontario government regarding additional criteria or information required for the Hewitt's Community Centre and Library to be considered for funding allocation based on the full value (or a value greater than \$50M).
45. The land required for the Centre and Library is not currently owned by the City. The estimated cost of the property is approximately \$9M. The acquisition of land is not an eligible expense under ICIP. Based on the existing capital plan, it was anticipated that \$3.573M was to be raised through both land dedication and cash-in-lieu of parkland. Staff will report back further with respect to funding if an Agreement of Purchase and Sale is negotiated.
46. The Fisher Auditorium and Event Centre project cost is estimated at \$26-28M. Assuming the cost is \$28M to account for construction price escalation, the grant funding breakdown could be as follows:

Rehabilitation and Renovation Category	
•	Federal at 40% - \$2M
•	Provincial at 33% - \$1.7M
•	City/other grants and fundraising - \$24.33M

LINKAGE TO 2018-2022 STRATEGIC PLAN

47. The recommendations included in this Staff Report are related to the following goals contained in 2018-2022 Strategic Plan:
- Fostering a Safe and Healthy City
 - Building Strong Neighbourhoods
 - Growing Our Economy