

City of Maple Ridge

TO: His Worship Mayor Michael Morden **MEETING DATE:** December 11, 2018
and Members of Council **FILE NO:** 2104938
FROM: Chief Administrative Officer **MEETING:** Council Meeting
SUBJECT: Albion Community Centre Budget Update and Grant Opportunity

EXECUTIVE SUMMARY:

The City of Maple Ridge has been working closely with School District No. 42 (SD42) on the public consultation and detailed design for the cəsqənelə Elementary School and Albion Community Centre (ACC) since February 2016. When this work began, a preliminary concept budget of \$10 million was established for the community centre, not including site servicing costs or portions of the project eligible for grant funding.

Since that time, the City has completed a Class “A” cost estimate indicating that the ACC project costs are likely to be in the region of \$15.4 million. The Class “A” cost estimate is accurate within 5% and includes all costs associated with the project including a geotechnical survey; required earth works; full site servicing costs; off-site servicing costs; final detailed design and estimated construction costs; and escalation costs that have occurred over this 2-year period.

As construction of the ACC has not begun, the City is eligible for a significant grant from the federal/provincial Community, Culture and Recreation (CCR) Program. Staff recommend that the City apply for this grant in the amount of \$5 million. This would require delaying the start of construction until the grant awards are announced, which comes with project escalation costs estimated at \$600,000. This, combined with an optional \$800,000 to support LEED Silver certification, brings the complete cost estimate for the ACC into the range of \$17–18 million. A funding program to address these costs is outlined in the Financial Implications section of this report.

Staff recommend that Council advance the site development and earth works portion of this project to complete work requiring heavy equipment prior to Fall 2019 to reduce school disruption, and further recommend that Council delay authorizing construction of the community centre until the CCR grant awards are known to ensure the City’s eligibility for this fund.

RECOMMENDATION:

That the site development tendering of the Albion Community Centre project proceed at an estimated cost of \$5 million so that major site and earth works can be completed in conjunction with the development of the cəsqənelə Elementary School project to reduce school disruption; and

That the construction phase of the Albion Community Centre be delayed to qualify for a Community, Culture and Recreation grant; and

That staff submit an application to the Community, Culture and Recreation Program for up to \$5 million towards construction of the Albion Community Centre; and

That the necessary measures to obtain a LEED Silver designation or equivalent is included in the Albion Community Centre design at an estimated cost of \$800,000; and further

That the next Financial Plan Bylaw be amended as described in the December 11, 2018 Council report named 'Albion Community Centre Budget Update and Grant Opportunity'.

DISCUSSION:

a) Background Context:

SD42 and the City of Maple Ridge both previously acquired lands for the joint park/school site on 104th Avenue many years ago as directed by the Official Community Plan (OCP) at that time. The proposed addition of a community centre and the required increase in size of the school to accommodate 660 students resulted in SD42 and the City of Maple Ridge purchasing additional lands for this joint project.

The City received a \$21,000 Green Municipal Fund grant from the Federation of Canadian Municipalities for a study to determine the feasibility of the ACC being built as a "Net Zero" building. The result of this study recommends that the City should instead pursue a LEED Silver designation as there are several aspects of the building that are not compatible with Net Zero. The cost of including design elements to support LEED Silver certification is estimated to be \$800,000.

Staff submitted a grant application for a Federal "Enabling Accessibility Fund" grant that provides funding of up to \$1 million for eligible projects to increase accessibility for people with disabilities in communities and work places. The City was recently advised that its application has been moved forward to the second stage for further consideration.

Staff is also preparing a Community Childcare Space Creation Program grant application, which provides funding up to \$1 million to create new licensed daycare spaces within local government facilities. The City has applied for this grant previously and was not successful; however, staff believes that this application will be much stronger as a result of this being a completely new facility.

An additional grant application has been prepared for the CCR Program. This grant opportunity provides up to 73% for eligible project costs. However, given that the entire fund for British Columbia is \$134 million, staff anticipate that it is likely that smaller amounts in the range of \$3 million to \$5 million are more realistic, and have therefore provided a recommendation to apply for funding at this level to offer options for the grant review team to consider.

In order to meet the eligibility criteria for CCR Program, the City would need to suspend (not terminate) the contract that it currently has with both the Construction Manager and the Architectural firm for approximately 10 months. Both companies have confirmed that they are willing to work with the City in this regard; however, there will be some minor additional start-up costs to remobilize the project. We have also been advised that there is a potential cost escalation for this project, estimated at approximately 1% for each month of the delay, which could potentially be in the region of \$600,000 assuming an 8 to 10 month delay.

Although there are no guarantees that the City will be awarded the amount of funding that is being requested through the CCR Program, staff believe that the ACC project is very well suited to the eligibility criteria for this grant.

b) Desired Outcome:

The desired outcome is to minimize the impact of cost increases while following through with the City's commitment to SD42 and the residents of the Albion area to work with SD42 to develop a neighborhood learning centre that includes an elementary school, community centre, sports field, playground and natural areas and trails.

c) Strategic Alignment:

This project is consistent with the SD42 Strategic Facilities Plan completed in 2015, the 2010 Parks, Recreation & Culture Master Plan, and the Master Agreement between the School District and the City for the joint use of public facilities and coordination of services. The land use is also consistent with the City's Official Community Plan.

d) Citizen/Customer Implications:

The City of Maple Ridge supports its citizens in maintaining healthy lifestyles through their participation in sport, recreation, arts and culture in venues that allow them to connect with their neighbours and other groups with common interests. This project is a great example of partnerships and co-location of facilities to provide needed community infrastructure.

e) Interdepartmental Implications:

The Parks, Recreation & Culture Division along with the Planning, Engineering and Building Departments have been working together to expedite work on this project to keep the school and community centre development on track. SD42 is very hopeful that C&S&C Elementary School will open for the Fall semester in 2019.

f) Business Plan/Financial Implications:

In 2016 when a conceptual plan was developed for the Albion Community Centre, \$10 million was set aside for this project understanding that site servicing costs were not included and that grant opportunities were not yet known.

Since that time, servicing costs have been quantified and are significant; green building costs have been defined through an analysis funded through a grant from the Federation of Canadian Municipalities; and construction costs in general have escalated. This project is a good candidate for grant opportunities which would assist in funding this project, and a number of applications are in progress.

A recent Class "A" estimate identified a cost of \$15.4 million for this project based on detailed design completion as well as the technical reports that are now in place. LEED Silver costs of \$800,000 and a construction escalation contingency of \$600,000 if the project is delayed to support eligibility for a CCR grant brings the complete cost estimate for the ACC into the range of \$17-18 million.

The funding plan in place to accommodate the full \$17-18 million project cost includes:

- \$10 million based on the original 2016 estimated construction cost (\$8.5 million debt and \$1.5 million Amenity Contributions);
- \$0.75 million from Albion Community Centre land servicing/development fees; and
- \$2.25 million from Parks & Recreation Projects Construction Contingency.
- \$4-5 million in grants.

The next Financial Plan Bylaw Amendment Bylaw can be amended to include up to \$5 million to be funded through grants. If the grants do not achieve this amount, an increased reliance on Community Amenity Contributions (CAC's) would be utilized in place of grant funding.

g) Alternatives:

Council may choose to advance the entire project at this time, without the aid of this major grant opportunity; however, staff believe that the City is in a very strong position with its application which could provide significant financial assistance with this project.

CONCLUSIONS:

The conceptual design and community consultation for the ACC began in earnest in February 2016, and the project has passed a variety of legislative and engineering hurdles since then. With the Class "A" estimate in hand, the City has a more accurate understanding of the overall costs of this project. The Community Culture and Recreation Infrastructure Grant offers a significant funding opportunity for this project.

"Original signed by Don Cramb"

Prepared by: **Don Cramb**
Senior Recreation Manager

"Original signed by David Boag"

Reviewed by: **David Boag**
Director of Parks & Facilities

"Original signed by Trevor Thompson"

Reviewed by: **Trevor Thompson, BBA, CPA, CGA**
Chief Financial Officer

"Original signed by Kelly Swift"

Approved by: **Kelly Swift, MBA**
General Manager Parks, Recreation & Culture

"Original signed by Frank Quinn for"

Concurrence: **Paul Gill, BBA, CPA, CGA**
Chief Administrative Officer