

REPORT TO: Mayor James M. Diodati
and Members of Municipal Council

SUBMITTED BY: Recreation & Culture

SUBJECT: **R&C-2019-07**
Cultural Hub & Market Architectural, Operating & Business Plan

RECOMMENDATION

1. That Council approve the design of the cultural and market facility.
2. That Council approve the finalization of the construction drawings and direct staff to commence with the tendering process. And that staff report back to Council with the tender results.
3. That Council direct staff to apply for the Infrastructure Funding: Culture and Recreation stream, Heritage Canada: Cultural spaces Canada Fund and other related provincial and federal infrastructure grants. And to authorize the Mayor and City Clerk to execute the required documents on behalf of City Council.
4. That Council receive the Operating and Business Plan Report for the cultural and market facility.

EXECUTIVE SUMMARY

On February 14, 2017, City Council approved the City's 2017 capital budget. One of the approved projects was the development of a new facility that would accommodate a Cultural Hub and new Farmers' Market space in the Main & Ferry area. The first step to develop the new facility was to conduct a stakeholder and community consultation. The City hired dtah to consult with the community, and conduct seven stakeholder meetings and an online survey to collect ideas for the direction of the facility. The study, conducted in two phases (community consultation and concept plan), included market, operational, financial, economic and social impact analyses of a multi-use facility that would house exhibition space, farmers market, administrative offices, classrooms/studios/presentation/rehearsal spaces, public spaces and green spaces.

Two public meetings were conducted to develop a concept that includes a café, artist studio, tool library, learning spaces, a market hall and a robust landscape that can accommodate public art, events and other shared public activities. Report R&C-2017-

16 provided the details of these plans and the report was approved as recommended unanimously.

At the December 12, 2017 City Council meeting the 2018 capital budget was approved unanimously and supported finalizing the architectural drawings for the cultural facility, developing a branding package for the facility and determining the operating and business plan for the facility. The Cultural Hub & Farmers' Market (CHFM) Steering Committee has been working alongside the consultant firms, dtah, Entro and 360 Collective Consulting to examine all aspects of the site. A full understanding of the functions, costs and operations of the new facility will confirm that it is of the appropriate scale and necessary composition for this valuable new asset to be successful. This report provides the details of those plans.

The Hub was a major piece of the 2015 Cultural Plan. It is a key component drawn from that plan to be a central place for the community to come together, and a space to facilitate creativity through a multi-disciplinary approach.

BACKGROUND

This initiative originated from two separate reports to Council:

- 1) In March 2008, it was recommended that Council proceed with a new Farmers' Market facility to replace the current building. At the November 17, 2008, City Council meeting, PD 2008-88 Council approved moving forward with a new Market facility, however, that project was put on hold at that time.
- 2) On April 28, 2015, City Council received the City of Niagara Falls Culture Plan that included the need to create a Cultural Hub for the community.

With these two plans in mind, it was determined that a joint facility could utilize land already in ownership of the City, and create a space that meets the needs of both user groups.

The location, in the Main & Ferry area is tied to the Culture Plan intent to put emphasis on two districts within the City when it comes to Culture – Main & Ferry and Queen Street. With the Farmers' Market being located in Main & Ferry currently, with the acquisition of (former Serbian Cultural Centre) property on Main Street, with the support of the local BIA, and with the potential synergy that having this complex connected to the Niagara Falls History Museum, the Cultural Plan identified this area as being a preferred location for a Cultural Hub.

Following several consultations with the public and stakeholders, Council accepted a report and presentation from dtah at the Council meeting of November 28, 2017 stating

the results of that consultation and the resulting concept plan for the facility. This report was accepted by Council and approved unanimously.

In 2018, the CHFM Steering Committee worked with dtah on the detailed design of the new facility. 360 Collective coordinated the Business and Operating Plan for the facility and conducted more consultations with stakeholders and potential partners.

The resulting Business and Operating Plan, and the estimated costing for the construction of the facility as of January 30, 2019, are attached to this report.

ANALYSIS/RATIONALE

In order to provide access to healthy food and farm to table opportunities, a building to replace the current Farmers' Market is much needed. At the same time, the lack of community places that are dedicated to creation, ideas and arts presentation in the city are lacking. The proposed facility will be a place where arts, arts creation and the community can come together, providing for a more engaged, involved and vibrant community.

The design and plans presented for the Niagara Falls Cultural Hub/Farmers' Market propose highly adaptable and durable interior and exterior spaces that reinforce Main & Ferry as a vibrant, all-season cultural precinct in the heart of Niagara Falls.

Interior spaces will accommodate a range of modes and uses, and connect directly to the outdoors - animating the adjacent public spaces both day and night.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS

The operations of the facility were examined as part of the overall staffing contingency of the Cultural division of the Recreation and Culture Department. As a result, some shared staffing and efficiencies were identified. It is anticipated that the Recreation and Culture Department will add 3.5 full time equivalent positions (FTE) to the overall city complement in a variety of roles on the property, the approximate cost of \$260,000. The site will also be hiring contract programming staff to assist with site needs in the workshop as well as evening and event support.

The Operating and Business Plan anticipates the initial operational costs for this facility will be approximately \$415,000.

Based on 60% completion of the architectural plans, a Class B constructed cost estimate was conducted for the facility by A.W. Hooker. This report has a +/- of 15% accuracy and is meant to reflect the fair market value for the construction of the project. It is not intended to be the prediction of the lowest bid and should be representative of the median bid amount. This report also assumes that the structural components of the building would be constructed in pre-dominantly non-winter months. The report by A.W.

Hooker anticipates a fair market cost of \$10,533,000. A breakdown of all anticipated costs includes;

Construction Budget	\$10,533,000
Permits and Approvals	\$40,269
Base Contract Consultant Fees	\$399,415
Other Consultants (survey, geotech, geothermal, archaeology)	\$73,000
Signage + Wayfinding Production (ENTRO)	\$60,000
FFE Allowance	\$434,000
Construction Contingency (6% of construction budget)	\$631,980
Subtotal Project Costs	<u>\$12,171,664</u>
HST (1.76%)	<u>\$214,221</u>
Total cost	\$12,385,885

Recreation & Culture staff has been in discussion with Heritage Canada with regard to their Cultural Spaces Canada Fund and this project appears to match well with their Cultural Spaces funding initiatives. The maximum contribution payable for an individual construction or renovation project is \$15,000,000 or 50% of total eligible project costs, whichever is less for this Fund. Staff also intends to apply for the Infrastructure Funding: Culture and Recreation stream and other applicable provincial and federal infrastructure grant programs.

It is also anticipated that some private sector funds may be allocated for this project through Section 37 contributions.

City funds that will be allocated to the project are anticipated to come from the issuance of debentures. The life cycle of the building is approximately 40 – 50 years with the loan period of the debenture term to be determined.

Legal Services

Legal Services undertook a title search for the surrounding private properties that may have been impacted by the City's construction of a Farmer's Market and confirmed that

all properties will maintain vehicular access through existing easements or other mechanisms of legal access at the rear of their properties.

In addition, Legal Services and Planning staff is currently preparing easement and right of way agreements with the neighbouring property at 5962-5964 Main Street to provide and protect access to the loading facilities for both properties.

CITY'S STRATEGIC COMMITMENT

Strategic Priority, A Vibrant and Well planned City, Key Action: Continue to implement the recommendations from the 2007 Strategic Plan for the provision of Parks, Recreation, Arts & Culture.

ATTACHMENTS

1. 360 Collective Operating and Business Plan
2. A.W. Hooker Cost Estimate

Recommended by:

Kathy Moldenhauer, Director of Recreation and Culture

Respectfully submitted:

Ken Todd, Chief Administrative Officer