

REPORT FROM THE ACTING DIRECTOR OF PUBLIC WORKS

DESCRIPTION

Re: Downtown Arts Centre

RECOMMENDATION

That the report from the Acting Director of Public Works be received and that

Staff be directed to proceed with preparing a revised tender document and proceed to tender as soon as possible for the Downtown Arts Centre and that

Staff liaise with Fed Nor to amend the existing funding agreement in place for the revised scope of work

BACKGROUND

On August 8, 2022, Council received a report from the Chief Administrative Officer regarding the Downtown Art Centre, which detailed three scope of work options for consideration. At that meeting, Council directed staff to proceed with a scope of work for this project with an anticipated budget of \$3.6 million. Staff proceeded to work with the design team assigned to the project to conduct the required engineering analysis and to do the appropriate design work in order to prepare tender documents for the project.

The timing for awarding the tender would have meant that the incoming Council in their very first meeting would have to award the project that would significantly impact the arts and culture reserve / insurance recovery fund. It would also place the incoming Council in a difficult position given that during the campaign period, several members of the elected council publicly expressed concerns with the project as contemplated in August.

The CAO felt it prudent to defer issuing the \$3.6M tender in an effort to avoid penalties and wasted time and effort for the scope of work that the incoming Council had little appetite for.

Soon after being sworn-in, the Mayor encouraged staff to bring forward this report that details a truncated scope of work in an effort to lessen the expense for the facility while still affording a space for visual artists to conduct their work.

Staff reached out to FedNor about the likely pending change to the scope of work, and FedNor is awaiting a council resolution, the details a project with more limited scope so that they can prepare an amendment to the \$750,000 grant funding agreement currently in place for the project.

ANALYSIS

In order to lesson the project's expense, staff recommends a scope of work that entails limiting the use of the facility to accommodation of the visual arts groups. This facility would forgo any second floor construction or any refurbishment of the existing theatre space. Both halves of the existing movie theatre would have their floors levelled, and access to the existing upper floor would be limited to utility use only in order to remove the need for elevator access to the second floor. Interior and exterior finish schedules as well as interior partition layout would be designed in such a way to minimize expense.

With a new more limited scope for the project, staff believes that the project can likely be realized for between \$1.2 million and \$1.5 million. After discussion with staff about how to lessen the scope of work, the design team on the project are anticipating costs in a similar range. Allowing for larger contingencies, they are anticipating total project cost in the range of \$1.6 million.

FINANCIAL IMPACT

If the project can be completed before March 31, 2023, Fed Nor funding will contribute a total of \$750,000 to the project, leaving a financial commitment of less than \$1 million for the city for the project moving forward. Internal funding for this project has been approved to come from the arts reserve currently in place consisting of monies obtained from the insurance settlement relating to the loss of the Lester B Pearson Civic Centre. The revised scope of work would mean there remains more in the arts reserve for a new performing arts centre.

LINKS TO STRATEGIC PLAN

This project directly relates to the following key section of the strategic plan:

- Support in the arts and culture community

SUMMARY

It is recommended that Council give direction for staff to proceed with preparing a revised tender document set for the project, to proceed with a tender process for the project, and to liaise with FedNor to amend the existing funding agreement in place for the revised scope of work.