



STAFF REPORT

REPORT OF THE ACTING DIRECTOR OF PUBLIC WORKS

OBJECTIVE

To provide Council with information regarding an agreement of purchase and sale for 40 Hillside Drive North.

RECOMMENDATION

That the report from the Acting Director of Public Works be received;

AND THAT Council enter into an agreement of purchase and sale to acquire the property located at 40 Hillside Drive North;

AND THAT funds required to support the acquisition be drawn from the Arts and Culture Reserve;

AND THAT the appropriate by-law be passed to enact this decision.

BACKGROUND

In May, 2023, Staff became aware that the Holy Trinity United Church located at 40 Hillside Dr. N. was to be listed for sale imminently. Upon sharing this data with Council, staff were informed that they had an appetite to consider purchase of the building.

Previous to this, there had been a non-formal indication from the Church that they would be open to offers from the City for a substantially reduced price in the range of \$100,000.00. This represents, at initial review, a price well below market value.

ANALYSIS

Based on this information, Staff tasked Tulloch Engineering to perform a building structure and systems assessment to rule out any potential existing issues. The resultant inspection report indicated that the building is generally sound with no major issues observed during inspection.

The building has a finished basement area that encompasses most of the footprint connected to the main floor level via a stairwell. The main floor has a layout dominated by a large sanctuary area, but also includes smaller office spaces.

Staff had investigated the possibility of acquisition of this building during the Summer of 2022 while plans for the Downtown Art Centre were being generated. Between Summer 2022 and May 2023, Staff waited for the Church administration to indicate their intentions with respect to selling the property. Staff recognizes some potential uses for the building that address current operational deficiencies, and endorses the idea of the acquisition at an appropriate price if supported by a comprehensive vision for the facility and associated retrofit project moving forward. Staff also acknowledge that there was a need to act quickly as the property is desirable to the City as well as other parties including those in the private sector, in terms of price, condition, size and location.

In order for the building to be used by the City, there will be some associated renovations required. Staff's recommendation is to commission the building in such a way to minimize the expense, effort and timeline involved in this renovation project. Given the current configuration of the building, the anticipated project scope and probable cost of renovations for various uses, staff recommends limiting public use of the building to the main floor.

Also recommended is to have the facility focus on Museum and Welcome Centre operations, with a design that incorporates multi-use main-floor options including assembly for performance, workshops and lectures. The somewhat limited availability of on-site parking also lends itself to reduced-traffic operations and downscaled-assembly uses. This line of thinking is somewhat driven by the fact that the City already has a performance venue in Collins Hall that will likely have more capacity for audiences as compared to the church once it is adapted for use.

It is Staff's opinion that the basement area would be most suitable for museum archive operations. For context, the City has a largely undocumented and unarchived collection of museum artifacts that is currently being processed by operations staff. Staff estimates that this activity will continue for the next 2 to 3 years to prepare the collection properly. This artifact processing is now happening at Collins Hall with long-term archival storage taking place at the Rio Den in a humidity-controlled room. This situation compromises the utility of both of those other facilities, which ideally would be used for other purposes.

This combination Public use on the main level and operational use downstairs would be a solution that addresses current gaps in service offerings while possibly minimizing renovation expense.

From a high level, Staff identifies the following process for commissioning this building for facility use. An estimate of the most aggressive timeline for each step is identified.

1. Prepare an RFP to procure design services - 6 weeks. This step entails defining the high-level design brief for outside teams to offer both proposals and pricing for these services.
2. Prepare preliminary designs - 6 weeks. This process would include confirming and identifying occupancy, washroom and accessibility requirements based on prescribed use. It would also provide



high-level conceptual sketches as a deliverable for Council's consideration to confirm that the final project will align with Council's vision for the facility.

3. Prepare a tender package for construction contractors based on the conceptual design, and complete the tender process - 12 – 16 weeks. This step involves creating the detailed construction drawing set and preparing the actual tender package. Staff recommends that a design team that is able to prepare and administer the design, tender and project management be commissioned for the project in order to best support staff in terms of capacity.

4. Realize the project - 4 months. The project timeline is dependent upon the scope of the final design, but Staff anticipates some required work based on the change of use including adding washroom facilities and accessibility requirements.

Given the above, with the established closing date of October 6th, 2023, the City could reasonably see the construction phase of the project occurring through 2024.

Staff anticipates that the building could be used for Welcome Centre operations on the main level and artifact archiving on the lower level during the design and administration phases of the project (Steps 1, 2 and 3 above).

Additionally, having an additional space where constituents are able to assemble helps to support the City's Emergency Response Plans and offers options in the event that a winter warming facility , etc. is required.

Staff believes that funding for the purchase and associated renovations can reasonably be drawn from the insurance money currently held in reserve as a result of the loss of the Lester B. Pearson Centre property. There will be sufficient money left in that reserve to realize this new initiative after the completion of the Downtown Arts Centre project.

However, there are several other funding opportunities for grants that could be leveraged to help realize this project once the project passes Step 2 and/or 3 detailed above. Specifically, the NOHFC would likely be open to supporting the project, as well as The Trillium Foundation and Cultural Spaces Canada. Museum initiatives have several distinct public and private funding opportunities associated with them that can be leveraged if the primary use of the space involves museum operations and exhibition.

The above approach has been suggested with a recognition for the available capacity for additional projects that Staff has at this time, which is to say that Staff recommends limiting the scope of any associated project as much as possible while leveraging outside consultancy, administration and project management.

While the City has personnel dedicated to Museum operations, Staff recommends that the City engage with community stakeholders and outside cultural organizations to assist in developing an operations plan for the facility in order to ensure its ongoing suitability for the community's needs.



FINANCIAL IMPACT

Without a firm grasp on design and use, it is difficult for Staff to speculate what the ongoing operational costs for the facility would be, but for context, the 2023 operations budget has a total of \$45,636.00 allocated to Collins Hall Building Maintenance & Janitorial, Utilities and Contracted Services.

Similarly, it is difficult to speculate on the specific renovation costs for the facility until a project scope is properly specified. Staff is of the opinion that the Arts and Culture reserve is currently able to support a wide range of available project options, and recommends that a funding approach be taken where outside grant funding be leveraged as much as possible to realize the project.

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

Staff recommends that Council enters into an agreement of purchase and sale for the acquisition of 40 Hillside Dr. N, Elliot Lake, and seeks Council's direction to develop a more comprehensive renovation and operations plan for the facility based on the suggestions provided in this report.

