

UPDATE ON NEW RECREATION FACILITIES

EXECUTIVE SUMMARY

This report provides a project status update on the four new recreation facilities being developed to meet community needs in the underserved areas of Calgary. Since Council approved the funding and reviewed the functional program for four new recreation facilities in 2012 June, significant work has been completed and the projects are progressing well. This report outlines progress in the areas of site analysis, design, construction, budget, public art, engagement and operators.

ADMINISTRATION RECOMMENDATION(S)

That the SPC on Community and Protective Services recommends that Council receive this report for information.

PREVIOUS COUNCIL DIRECTION / POLICY

Attachment 1 outlines the Previous Council Direction for this project.

BACKGROUND

On 2012 June 25 (PFC2012-0248), Council declared The City's commitment to proceed with the development of four new recreation facilities in the northwest and southeast quadrants of the city by approving the capital budget appropriation, functional program and concept design report for the facilities.

With Council approval, the design of each facility was initiated to meet the functional program requirements within the approved capital budget. Steps were taken to secure the sites and ensure the land requirements were completed to enable the facilities to be constructed with the amenities envisioned. Concurrently, the process of securing facility operators commenced to meet the established scope of responsibilities.

Throughout the design process, Administration has continued to work with community advisory groups, sport groups, arts and culture groups and operators to ensure the facilities meet recreation, sport, leisure, library, culture and art needs. These multi-faceted facilities will contribute to vibrant communities with great public spaces which foster opportunities for citizen connections and urban vitality.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Overall, the functional program requirements and concept designs for the four new recreation facilities are being met. In addition, all facilities are within the approved capital budget and the Quarry Park, Rocky Ridge and Seton facilities are projected to be completed within the timeline previously presented to Council. With respect to Great Plains, a number of challenges have been experienced for this facility that has resulted in an adjustment to the completion date.

A current schedule for all facilities highlighting critical milestones related to site analysis, facility design, approval process and construction are included in Attachment 2. The schedule indicates two of the four facilities are a year and a half away from completion.

Southeast residents will soon be able to enjoy the Quarry Park and Great Plains facilities. Quarry Park is scheduled for completion in 2016 Q2. Located on what was previously an

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industrial site, the Quarry Park facility will be a significant feature in the mixed-use area that provides the community with much-needed recreation and leisure opportunities. With 15 per cent of the construction phase complete, the structure of the facility is now emerging from the site surface.

The Great Plains facility, now under construction, will be the second facility to open in 2016 Q2. This venue, designed for competitive and tournament play, will be available for ice enthusiasts from all four quadrants of the city.

Projected to open in 2017 Q3, the regional facility at Rocky Ridge will be located within a park setting that includes natural areas, a wetland and archaeological features. To meet municipal entrance and parking configuration requirements and maintain the integrity of the surrounding natural features, the tennis courts envisioned in the functional program could not be incorporated into the final site plan. Administration will continue to investigate other suitable parcels in the area for this amenity.

The anticipated opening of Seton in 2018 Q4 will achieve The City's mandate of delivering all four new recreation facilities in underserved areas of Calgary. Administration has completed a master plan to ensure the best use of the Seton site and to meet stakeholder needs. As a result, the site plan has been finalized and work is progressing on design to prepare for construction.

Each facility has its own unique mix of amenities to best suit the program needs of the surrounding communities and users. A summary of the amenities and project milestone details for each facility are included in Attachment 3. These amenities have been used as building blocks for the architectural design. The designs for Quarry Park, Great Plains and Rocky Ridge are now complete, and Seton is in schematic design phase (Attachment 4).

Facility Operators

In 2012 June, the operating model and procurement process was confirmed by Council. This model transfers responsibility for the delivery of programs and services, revenue generation, fundraising, facility operations, maintenance, lifecycle, capital enhancements, reserves, and supplying the facility furniture, fixtures, and equipment to the operators.

The City has a successful history of entering into partnerships with operators to facilitate the provision of a broad range of programs and services for citizens. To secure operators for the facilities, an open, fair and transparent competitive bidding process, that included an independent third party fairness advisory and procurement facilitator, was undertaken. As a result, qualified and experienced organizations have been chosen as the highest rated proponents to operate the facilities. Subject to executing agreements satisfactory to The City, the YMCA Calgary will operate Quarry Park, Rocky Ridge and Seton while Canlan Ice Sports will operate Great Plains.

The Calgary Public Library (CPL) will be operating branches at three of the facilities. A more traditional library will be included at Quarry Park and Seton, while a self-serve open-concept library is being developed at Rocky Ridge.

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Involving the facility operators and CPL early in the process has provided the opportunity for program and operating requirements and efficiencies to be incorporated into the design of the facilities.

On 2013 June 10, the operating and lease fundamental terms and conditions were approved by Council for the Quarry Park, Rocky Ridge and Great Plains facilities (LAS2013-27). The operating and lease agreements will address requirements for stakeholder engagement, key performance measures, capital expansion, programming, governance, accessibility and affordability. The Quarry Park and Great Plains agreements have been issued to the operators and we are currently in negotiations. These agreements are targeted to be executed one year prior to opening, subject to negotiations. Thereafter, agreements will be issued for the Rocky Ridge and Seton facilities and negotiations will commence.

Stakeholder Engagement, Research and Communication

Extensive engagement to inform the design and function of the facilities has occurred through consultation with community advisory groups, sport and arts groups, as well as public information events. The Northwest Community Advisory Group (NWCAG) has provided valuable input into the process for Rocky Ridge as has the South East Calgary Recreation Society (SECRS) for Quarry Park, Great Plains and Seton. Both SECRS and NWCAG have provided letters of support for the designs and the development process.

Other interest groups including Sport Calgary, the Calgary Arts Development Authority, the Advisory Committee on Accessibility, Nature Calgary and the Calgary Aboriginal Urban Affairs Committee have been consulted as appropriate throughout the facility development process.

Strategic Alignment

The delivery of the new recreation facilities responds to Council's approved Recreation Master Plan and Council's 2015-2018 priorities of "a prosperous city, a city of inspiring neighbourhoods, and a healthy and green city" by:

- P5 Seek out partnerships with other governments and community partners to achieve community well being;
- P10 Expand our library system and enhance access to technology and information;
- P11 Facilitate programs and services for children and youth, including, in some cases, providing a variety of affordable after school programs;
- N9 Provide great public spaces and public realm improvements across the city to foster opportunity for well used public spaces and places for citizen connections and urban vitality; and
- H8 Continue to invest in indoor and outdoor recreation facilities that address the changing needs of Calgarians.

Social, Environmental, Economic (External)

Social

To help create vital and complete communities, the new facilities will respond to community needs in the areas of recreation, leisure, sport, library, culture and art programs and services. The facilities will be physically accessible by all and operators will ensure that all residents have access, including those experiencing economic barriers. The facilities will provide gathering

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places where Calgarians can connect with one another to build strong social networks. As most of the facilities are in new developing areas, they are expected to have a significant positive impact on The City's ability to respond to the program and service needs of a growing population.

Environmental

In keeping with The City's Sustainable Building Policy all facilities are striving to achieve LEED Gold. The Quarry Park and Seton facilities will be transit oriented developments, located within walking distance of future Light Rail Transit stations to help encourage less car-dependency. Additionally, Quarry Park will be located on a brownfield site that has been transformed from a quarry to a community destination. The Rocky Ridge facility will be located within a natural area park that includes archaeological features, native grasslands and a newly constructed wetland.

Economic

Building four facilities at one time is proving to be a successful capital development model. The operating model will provide services for Calgarians while enabling operators to manage operations and leverage funds from other sources to support the cost of furnishings, fixtures, equipment, operational start-up and ongoing lifecycle maintenance.

Administration has developed innovative, cost-effective strategies to minimize project fees by reconfiguring the Seton site to maximize its functionality, developing an innovative methane management system at Quarry Park, and protecting the natural features at Rocky Ridge.

The addition of four new recreation facilities increases Calgary's draw as the city of choice for individuals and businesses. Opportunities for sporting and performance events allow for both direct and ancillary business development opportunities. The facilities will also provide positive economic impact within communities, including numerous employment opportunities.

Financial Capacity

Current and Future Operating Budget:

There is no net operating budget impact as a result of adding the new recreation facilities. The facility operators are responsible to fund all future operating costs. However, The City is committed to providing operating funds to the libraries at Quarry Park, Rocky Ridge and Seton.

Current and Future Capital Budget:

The project is tracking within the allocated capital budget of \$480 million and is funded through a number of sources including the Municipal Sustainability Initiative Grant, the Community & Recreation Levy and Joint Use Coordinating Committee. Also, under C2012-10 (2012 February 06), Council approved \$250 million in tax-supported debt financing with repayment of 20 years to be made from the Community Investment Reserve. A capital budget and cash flow estimate is included in Attachment 5.

Risk Assessment

The project maintains a risk register as per Corporate Project Management Framework standards that include comprehensive mitigation strategies. Key areas being monitored include

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escalation of construction costs, project delays, operator commitments, agreement negotiations, and meeting environmental legislative requirements as required by all levels of government.

To date project costing exercises for the Great Plains and Quarry Park projects have come within the appropriate budget tolerances. However, there is some indication in the market place that by year end and beyond, the projects could experience significant cost escalation. As a result, Administration is monitoring impacts to the Rocky Ridge and Seton projects and implementing the following mitigating strategies:

- Implementing design modifications prior to tendering projects; and
- Accelerating tender processes to determine true market value.

The above strategies are anticipated to achieve the necessary cost savings without adjustments to the functional program for Rocky Ridge. However, the potential risk increases for Seton as tenders are scheduled to be issued in 2015 November.

REASON(S) FOR RECOMMENDATION(S):

New facilities will provide Calgarians with an opportunity to meet their recreation, leisure, library, sport, arts and culture needs within their communities. The projects are proceeding as planned, within budget, and within timeline scenarios as presented.

ATTACHMENT(S)

1. Previous Council Direction
2. Facility Schedule
3. Facility Amenities and Project Milestones
4. Facility Designs
 - a. Quarry Park
 - b. Great Plains
 - c. Rocky Ridge
 - d. Seton
5. Capital Budget and Cash Flow Estimate