

**Committee of the Whole Working Session
December 9, 2019**

Report #ENG-2019-45

Interim Staff Accommodations and 10 Wellington St

Recommendation

That Report #ENG-2019-45 be received;

And further that staff respectfully seek direction from Council with regard to a preferred alternative for Interim Accommodations for staff at the Town Administration Centre;

And further that staff respectfully seek direction from Council with regard to a capital program for 10 Wellington Street, Alliston;

Objective

The objective of this report is to provide Council with two alternative scenarios for consideration as part of the Committee of the Whole Working Session relating to both Interim Accommodation Strategies, and Asset preservation strategies for 10 Wellington Street, Alliston. These alternatives are being presented to provide additional information to Council for consideration during the working session.

Background

On April 16, 2019 staff report #ENG-2019-10 was presented at a Committee of the Whole working session along with a presentation made by the CAO. The following direction was issued at this Committee Working session:

- *The Committee of the Whole recommends:*
 - *That Report #ENG-2019-10 be received;*
 - *And further that the presentation of the CAO be received;*
 - *And further that the construction of the Administration Centre be placed on hold until the results of the Regional Government Review are known;*
 - *And Further that staff be directed to report back to Council with regard to:*
 - *1. leasing space for the administrative needs for the next 3 - 5 years*
 - *2. options with regard to the site located 25 Albert Street*
 - *3. the immediate needs of the site located at 10 Wellington Street East*
 - *4. other capital projects budgeted for as to whether or not the projects should proceed prior to the results of the Regional Government Review are known.*

On August 26, 2019, Staff presented to Committee of the Whole Report #ENG-2019-29 relating to the Town Administration Centre - Interim Accommodations, item 1 from the above motion. Report #ENG-2019-29 presented several options relating to interim strategies which included leased space considerations of several available properties in addition to leasing of office trailers to set-up on site at 25 Albert Street.

On September 9, 2019 Council passed the following motion relating to the Interim Accommodations and report #ENG-2019-29;

The Committee of the Whole recommends:

That Report #ENG-2019-29 be received;

And further that Report #ENG-2019-21 be received;

And further that Staff be directed to report back to Council with regard to the use of rental space and existing Town facilities to be considered to be utilized as interim accommodations.

Staff have not yet provided a response to item #4 from the motion given on April 16, 2019 as the path forward for 10 Wellington Street was largely dependent on the duration associated with the existing administration centre remaining in operation.

Comments and Considerations

As part of the consideration of this report Staff are recommending that there are two alternatives when it comes to interim accommodations and 10 Wellington Street. The first option is in relation to Council reaching a decision on a path forward for a New Town Administration Centre to be operational within a 2-3 year time frame.

The second option would be if Council defers the decision on the new Town Administration Center in which case we would be looking at a larger investment into the current repairs and renovations to 10 Wellington Street along with additional leased space to accommodate a 10 year planning horizon.

No matter what the outcome of the discussion is relating to the new Town Administration Centre Project Staff will require direction of Council on these options including the funding direction needed to advance these works. Below is a high level description of the considerations relating to each option:

Option #1 - 2-3 year Time Frame

Points for consideration under this option relate directly to the short term nature of the option. In this scenario it assumes a decision of Council has been reached relating to

the Town Administration Centre Project and the recommendations herein are reflective of a "getting by" scenario.

For interim accommodations staff would recommend that a series of steps be taken:

- Review existing space inventory and ensure all spaces are maximized in terms of their utilization.
- Review department splitting and department relocation in order to minimize the disruption to public facing departments.
- Investigate utilization of community and public spaces to determine if they can be optimized for administrative use.
- Review existing properties which may be able to accommodate new administrative uses.
- Provide a higher level of scrutiny on future Service Enhancement Requests that include new hires during this time frame.
- Review a small short term lease space option to create capacity for interim growth.

These above noted steps would be considered as part of an overall strategy for implementation. Not all of these elements would need to proceed in order for our interim needs to be met.

In relation to 10 Wellington Street, the interim recommendation become slightly less complex in nature. Given the age of the facility and its assets within it would be staff's recommendation that we maintain the status quo of operating to failure. However, it is recommended that a capital project sheet titled Asset Replacement 10 Wellington Street be added to the 2020 Capital budget, and each subsequent year of operations, in the amount of \$100,000 in order to accommodate any necessary repairs needed to maintain operations for the 3 year time period.

Although this will not alleviate the potential risk of catastrophic failure of an element requiring an emergency purchase, it will provide resource availability to operations in an effort to help mitigate equipment failure along the way.

Option #2 - 10 year Time Frame

Points for consideration of this option become much more direct in nature. Based on a duration of 10 years it would be staff recommendation that the solution for interim accommodations now becomes proceeding with leased space for a term of 10 years in order to accommodate the Town's medium to long term staffing needs in order to maintain service level expectations while the Town's population grows. Staff would then seek direction of Council to proceed with leasing approximately 7,000 sqft of space and look to relocate an entire department in order to minimize overall implications.

This Option would require funding to be approved by Council and be included in the 2020 operating budget for lease costs and operating impacts, as well as a Capital Budget sheet to be added for Lease Hold Improvements and fit-up of the leased space.

As it relates to the approach for 10 Wellington Street, staff would recommend that a Capital Budget sheet be included into the 2020 budget for a major renovation and repair project for this facility in order to meet the 10 year time frame. This would require a significant investment into major repairs of elements such as , roof replacement, building envelope repairs, HVAC replacement, window and door replacement, and interior renovations and updates to safety, security, and accessibility of the space.

The Proposed approach would also include for the demolition and removal of 13 Church Street building to allow for increased surface are parking and the re-creation of the main entrance off of Church Street into the Town Hall.

The estimated cost associated with the 10 Wellington Street works would be \$5.3M which would be completed over a two year time frame for design and construction activities.

In addition to the Options listed above, and regardless of which option moves forward for implementation, it is further recommended that a Phase II interim accommodation strategy proceed. The Phase II strategy would investigate the opportunity to review and optimize our existing operation type spaces such as, the JOC, Depots 1, 2, and 3 etc. and prepare, for Council's consideration, an approach that would see us refine and maximize operational functionality and accommodation, safety and security, and accessibility for staff within operation type units.

Financial Considerations

While their are no direct financial requests included in this report, this section will note the cost implications of Option #1 and Option #2 for Council information and consideration when making a selection.

The table below will show the costs associated with each of the two options included in this report.

Option # 1 Item Description	Budget Cost
Interim Staff Accommodation Space Improvements	\$75,000
10 Wellington Street Repair Fund (Annual)	\$100,000

Sub-Total of Costs (Option #1)	\$175,000
Option #2 Item Description	
Lease Hold Improvements (7,000 sqft)	\$750,000
Furniture Fixtures and Equipment	\$125,000
Annual Lease cost (Estimated)	\$120,000
Renovation and Repair Project - 10 Wellington	\$5,300,000
Sub-Total of Costs (Option #2)	\$6,295,000

The above noted costs would need to be included for based on the selection of Council and would be in addition to any preferred solution chosen for the New Administration Centre project.

Respectfully submitted:



Daniel Burton
Supervisor of Building Construction

Approved By:

Rick Vatri, C.E.T., Director of Engineering and Development

John Henry CPA, CMA, Director, Financial Services / Treasurer

Bruce K. Hoppe, MCIP, RPP, Interim GM, Infrastructure & Development

Blaine Parkin, P. Eng., CAO

Department:

Engineering

Finance

Planning

CAO

Status:

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