CITY OF HAMILTON

PUBLIC WORKS DEPARTMENT
Capital Planning & Implementation Division

and

COMMUNITY SERVICES DEPARTMENT
Strategic Services Division

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<th>Report to:</th>
<th>Submitted by:</th>
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<td>Chair and Members Emergency and Community Services Committee</td>
<td>Joe-Anne Priel General Manager Community Services Department</td>
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<td>Gerry Davis, CMA Acting General Manager Public Works Department</td>
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<th>Date:</th>
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<td>April 7, 2009</td>
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SUBJECT: Beasley Community Centre – Status Update/Approval of Agreements (PW09037/ECS07092(b) - (Ward 2)

RECOMMENDATION:

(a) That the Mayor and City Clerk be authorized and directed to execute the agreements as outlined in Report PW09037/ECS07092b.

(b) That the Acting General Manager of the Public Works Department, on behalf of the General Manager of the Community Services Department, be authorized and directed to negotiate and enter into all necessary agreements, in a form satisfactory to the City Solicitor, in order to facilitate a partnership with the Hamilton-Wentworth District School Board, for the design and construction of the new Beasley Community Centre to be located within the new Dr. Edgar Davey Elementary School located at 99 Ferguson Avenue, Hamilton, Ontario.

Joe-Anne Priel, Gerry Davis, CMA
General Manager Acting General Manager
Public Works Department Community Services Department
EXECUTIVE SUMMARY:

Further to the Council approval of Item 10 of the Emergency & Community Services Committee Report 07-015 on December 12, 2007, regarding Report ECS07092, dated November 12, 2007, and Information Report ECS07092(a) dated May 30, 2008, City Staff from the Planning & Economic Development, Community Services, and Public Works Departments have been in discussions with the Hamilton-Wentworth District School Board (HWDSB) regarding the joint design and construction of the new Dr. Edgar Davey Elementary School (the School) and the Beasley Community Centre (BCC) located at 99 Ferguson Avenue, Hamilton, adjacent to Beasley Park.

The HWDSB has begun the process of rebuilding the School at its present location as per their original schedule in order to maintain a September 2010 opening. Design is currently underway and the site plan has been submitted to the City for review and approval. The HWDSB is currently including approximately 6,000 ft.\(^2\) of ground floor space within their new School design in order to accommodate the new BCC.

The overall structure of the partnership will involve the School incorporating the BCC into its design and within its property limits. This space will be leased to the City of Hamilton on a long-term basis for a nominal amount. The City will be responsible for the payment of their share of all design and construction costs related to the BCC on a pro-rata square foot basis, and all ongoing operations and maintenance costs as agreed between the two parties.

As explained in Information Report ECS07092(a), the constrained school site and decision to co-locate the 6000 ft.\(^2\) Community Centre on HWDSB property puts further pressure on remaining space for school playgrounds. The current design provides exclusive, school day use of approximately 6,000 ft.\(^2\) of park land immediately adjacent to the school playground. This area will be fenced in to ensure the security and control of the students during school hours, and will have gates locked in the open position outside of regular school hours. The HWDSB is planning on installing a multi-purpose court in this area for use by students during school hours and residents of the area during off-school time.

City staff are requesting permission to finalize negotiations and enter into the requisite agreements necessary in order to implement this plan in partnership with the HWDSB. All agreements will be developed and reviewed by the City Solicitor prior to execution.

BACKGROUND:

This joint venture has been in discussion since 2004 when Council directed City staff to investigate an exchange of a portion of Beasley Park with the HWDSB in order to facilitate the construction of a new School, avoid student displacement, and improve the street frontage of the Park. Discussions have since taken place that resulted in the current design, placing the community centre within the School building in a fashion that facilitates community access to various areas within the School after hours. In addition to providing the much needed community centre for the Beasley community, this
approach maximizes current and future efficiencies with minimal cost impacts to the HWDSB and the City.

Please see Reports ECS07092 and ECS07092(a) for further information, hereto attached as Appendix A.

ANALYSIS/RATIONALE:

Please see the attached Reports ECS07092 and ECS07092(a) for further information.

ALTERNATIVES FOR CONSIDERATION:

The recommendations in this report are consistent with direction provided by Council in Report ECS07092. Alternatives including not proceeding, alternate locations, and alternate scheduling were discussed at that time.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial:

Council approved funding for this project in the amount of $3.0 million during the 2008 budget process. Project 7100854811 has been established.

Staffing:

Staff from various departments and their respective divisions will be involved in this project during all stages of planning, design, and construction in order to ensure the City’s needs are met. The overall level of effort required by staff will be significantly reduced due to the fact that the City will be benefiting from the HWDSB including us within their current project plans for this site. The HWDSB will be in full control of the project during all stages and the City will be a stakeholder on the project until completion, at which time we will become a tenant of the Board. The HWDSB will be responsible for all planning, procurement, project management, design, construction and their legal costs during the execution of this project.

Legal:

Legal Services will be involved in all stages of the planning and negotiation of this project. The following agreements are being negotiated and drafted:

1. A construction agency agreement defining all cost-sharing and payment structures during planning, design and construction of the School/BCC. It is important that this agreement is executed prior to the HWDSB tendering the
SUBJECT: Beasley Community Centre – Status Update/Approval of Agreements (PW09037/ECS07092b) - (Ward 2)

general contract in order to ensure complete understanding between the partners prior to construction. Legal Services have begun the preparation of this agreement in conjunction with City Staff.

2. A long-term lease agreement between the HWDSB (owner) and the City (tenant) for a 25-year renewable term for the nominal amount of one dollar per year. This agreement will be prepared by the Board and will be reviewed by City Staff and Legal Services prior to being executed. Other provisions to be included within the terms of this lease include the following:
   • Financial protection of the City’s capital investment to construct the BCC portion of the project. City Staff anticipate that the investment will be protected on a straight line, declining balance basis over a twenty-five year period. Should the HWDSB need to cancel the lease for some unforeseen reason, it would be required to repay the City the remaining balance;
   • The City would possess the first right of purchase in the event that the School was sold, in accordance with the Education Act.
   • The City will include the right to sub-lease the property. Wesley Urban Ministries is currently planning on leasing space within the BCC long-term in order to provide services to the community.

3. The real estate sale and road closure of Kelly Street with an easement in favour of the City of Hamilton sidewalk. Legal Services is currently coordinating this with the HWDSB.

4. The road closure of Elgin Street with easement in favour of the HWDSB and Hamilton Hydro. Legal Services is currently coordinating this with the HWDSB.

5. The existing reciprocal use agreements between the Recreation Division and the HWDSB will be updated to ensure all parties are able to mutually benefit from this partnership. Shared facilities will include the use of City pools in exchange for the use of the School gymnasium, as agreed between the HWDSB and the City.

6. A shared-use agreement will be required between the City and the HWDSB for the use of Beasley Park by the HWDSB. Legal Services are currently preparing this agreement with City Staff and the HWDSB.

7. A sub-lease agreement between the City and Wesley Urban Ministries for the ongoing operation of the Ontario Early Years Centre will be prepared by Legal Services in conjunction with City Staff.

POLICIES AFFECTING PROPOSAL:

1. Reciprocal Use Agreement with the HWDSB for existing combined sites.
3. All procurement will be conducted by the HWDSB with proportionately shared costs by the City, for the design, construction and ongoing operation of the BCC.
SUBJECT: Beasley Community Centre – Status Update/Approval of Agreements (PW09037/ECS07092b) - (Ward 2)

RELEVANT CONSULTATION:

City Staff have been in consultation with senior management at the HWDSB regarding this project. City Staff Departments/Divisions consulted on this project include the following:

- Corporate Services Department
  - Legal Services Division
  - Purchasing Section

- Community Services Department
  - Strategic Services
  - Recreation Division

- Planning & Economic Development Department
  - Real Estate Division

- Public Works Department
  - Capital Planning & Implementation Division
  - Operations & Maintenance Division

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No

The Beasley Community Centre will provide necessary services and programming for adults and children in the community. The partnership with the HWDSB and with Wesley Urban Ministries will ensure the community will have access to the Ontario Early Years Centre, City programming, as well as the School gymnasium after normal school hours. Also, as part of this partnership, the HWDSB will be upgrading a portion of Beasley Park to include an outdoor multi-court area for use by the School and surrounding community.

Environmental Well-Being is enhanced. ☑ Yes ☐ No

Shared use of facilities such as the gymnasium and park improvements reduce the need to build a larger community centre, thereby minimizing use of park space for built structures.

Economic Well-Being is enhanced. ☑ Yes ☐ No

Partnerships such as this enhance the economic well-being of the City by leveraging the school site to its maximum potential. In partnership with the HWDSB, the City will now be able to provide a necessary service to the local community with minimal impact on capital costs. All costs for planning, design, construction, management, procurement, etc, are to be borne by the HWDSB and shared with the City on a pro-rata square foot basis, reducing overall costs to Hamilton taxpayers. The City will lease the facility from the Board in the long-term for a nominal amount in lieu of the capital costs of construction incurred.
SUBJECT: Beasley Community Centre – Status Update/Approval of Agreements (PW09037/ECS07092b) - (Ward 2)

Does the option you are recommending create value across all three bottom lines?

☐ Yes  ☐ No

This partnership is a definite advantage for all parties involved including the City, the residents of Beasley community, the HWDSB and Wesley Urban Ministries. Much efficiency has been realized while providing vital services to the community including improved park land, new school facilities, and a new community centre including an OEYC.

Do the options you are recommending make Hamilton a City of choice for high performance public servants?

☐ Yes  ☐ No

Partnerships such as this illustrate the willingness of the City to develop innovative and creative solutions that provide important and much needed services to the public in a cost effective manner.