



# City of Richmond

## Report to Committee

**To:** General Purposes Committee **Date:** January 6, 2021

**From:** Jim V. Young, P. Eng. **File:** 10-6000-01/2020-Vol 01  
 Director, Facilities and Project Development

Marie Fenwick  
 Director, Arts, Culture and Heritage Services

**Re:** **Update: Investing in Canada Infrastructure Program - Minoru Place Activity Centre Conversion to Arts Centre**

### Staff Recommendation

That Option 1 to delay tendering of the Minoru Place Activity Centre Conversion to an Arts Centre, as described in the staff report titled "Update: Investing in Canada Infrastructure Program - Minoru Place Activity Centre Conversion to Arts Centre," dated January 6, 2021 from the Director, Facilities and Project Development and the Director, Arts, Culture and Heritage Services be approved.

Jim V. Young, P. Eng.  
 Director, Facilities and Project Development  
 (604-247-4610)

Marie Fenwick  
 Director, Arts, Culture and Heritage Services  
 (604-276-4288)

REPORT CONCURRENCE		
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>	<b>CONCURRENCE OF GENERAL MANAGER</b>
Intergovernmental Relations and Protocol Unit	<input checked="" type="checkbox"/>	
Finance Department	<input checked="" type="checkbox"/>	
Community Social Development	<input checked="" type="checkbox"/>	
<b>SENIOR STAFF REPORT REVIEW</b>	<b>INITIALS:</b>	<b>APPROVED BY CAO</b>
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## Staff Report

### Origin

On September 14, 2020, Council endorsed the submission to the Investing in Canada Infrastructure Program – Community, Culture and Recreation Stream, requesting funding of up to \$2.4 million as outlined in the report titled, “Investing in Canada Infrastructure Program - Minoru Place Activity Centre Conversion to Arts Centre,” dated August 5, 2020 from the Director, Facilities and Project Development. Staff advised Council that construction of the Arts Centre would be scheduled to commence in April 2021, immediately after BC Housing vacates the facility following expiration of their Emergency Response Centre (ERC) licence agreement with the City and with the understanding the Province would complete the grant award announcement by the end of 2020.

The City of Richmond will be requesting up to \$2.4 million towards the Minoru Place Activity Centre Conversion to Arts Centre project under the Investing in Canada Infrastructure Program (ICIP) Community, Culture and Recreation (CCR) Stream. This request is based on a project budget of \$3.26 million and the published infrastructure terms of 40% federal funding and 33.33% provincial funding.

A snap provincial election was announced on September 21, 2020. Given this announcement, staff contacted the Province and were advised that notification of successful submissions would potentially be delayed to Summer 2021. According to the grant application terms, if tendering and construction at the Minoru Place Activity Centre begins prior to the announcement date, the City does not meet the grant requirements and will forego the grant amount of up to \$2.4 million. The project can be completed within the previously approved budget but will not be eligible for the project supplement.

The purpose of this report is to seek Council’s endorsement to delay tendering for construction of the Minoru Place Activity Centre Conversion to Arts Centre project until the announcement of successful grant applications.

This report supports Council’s Strategic Plan 2018-2022 Strategy #3 One Community Together:

*Vibrant and diverse arts and cultural activities and opportunities for community engagement and connection.*

*3.2 Enhance arts and cultural programs and activities.*

This report supports Council’s Strategic Plan 2018-2022 Strategy #4 An Active and Thriving Richmond:

*An active and thriving community characterized by diverse social and wellness programs, services and spaces that foster health and well-being for all.*

*4.2 Ensure infrastructure meets changing community needs, current trends and best practices.*

## **Analysis**

### Facility Status

Minoru Place Activity Centre is currently being occupied by BC Housing under an agreement to use the premise as an ERC in response to the COVID-19 pandemic for individuals experiencing homelessness. The agreement with BC Housing expires on March 31, 2021.

### Design and Tendering Status

Staff have prepared the Arts Centre design and tendering documents and have been ready for advertising on BC Bid since early 2020. Tendering for construction is currently planned for the end of January 2021 so that a contractor can mobilize to the site by April 2021, immediately after BC Housing vacates the premises and consistent with the schedule provided to Council.

Prior to the COVID-19 pandemic, construction mobilization was proposed to commence in August 2020. However at that time, BC Housing negotiated extending the use of the facility as an ERC with the City until March 2021.

### Options

Option 1: Delay tendering until announcement of successful grant application – Recommended

If tendering and construction at the Minoru Place Activity Centre is delayed until a grant announcement is received, the City will remain eligible for a potential grant amount of up to \$2.4 million. Under this option, it is anticipated that construction would be complete by late Summer 2022.

Cost escalation under this option is a risk as budgeting was completed based on an August 2020 start of construction date. A delay of the construction start date by approximately 1 year, with escalation estimated to be approximately 6%. The program may need to be adjusted to complete the project within the Council approved Capital budget. There is also risk under this option that the grant is not received by the City.

Under this option, there may be an opportunity for BC Housing to extend their agreement with the City beyond March 31, 2021 if they have a need and should the Arts Centre construction be delayed.

Option 2: Proceed with tendering now – Not recommended

The option of tendering now forgoes the City's eligibility to receive a grant of up to \$2.4 million. Staff would immediately commence the tendering process which would allow the selected contractor to mobilize to the site by April 2021. It is anticipated that construction of the Arts Centre could be completed by early 2022 under this option.

**Financial Impact**

None.

**Conclusion**

Council approved the grant application to the Investing in Canada Infrastructure Program – Community, Culture and Recreation Stream in August 2020. Staff are now seeking Council’s endorsement to delay tendering for construction of the Minoru Place Activity Centre Conversion to Arts Centre project until the provincial announcement of successful grant recipients. The City of Richmond would therefore remain eligible for potential grant funding of up to \$2.4 million for this project.



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