

Corporate Report

REPORT NUMBER 254-2023-Community Services-		
DATE PREPARED August 24, 2023		FILE
MEETING DATE September 11, 2023		
SUBJECT Soccer Northwest Ontario (SNO) – Turf Facility Concept – Review Update		

RECOMMENDATION

WITH RESPECT to Report 254-2023 Community Services, we recommend that Council re-affirm Chapples Park as the preferred site for a proposed multi-use indoor turf facility to respond to the community's need for indoor turf;

AND THAT Council direct Administration to proceed to develop a proposed financing strategy to support a Request for Proposal to solicit interest from potential interested proponents to offer services to advance the realization of the project, as outlined in Scenario 1 of this report;

AND THAT Administration report back on the proposed financing strategy on or before November 6, 2023;

AND THAT any necessary by-laws be presented to City Council for ratification.

LINK TO STRATEGIC PLAN

The realization of a proposed multi-use indoor turf facility is aligned with the strategic direction to keep our community healthy, safe and strong through creating equitable access to recreation and sport. The investment in the proposed facility will also support Council's strategic priority of growing our city.

EXECUTIVE SUMMARY

This report concludes a review of a proposed new site and indoor turf facility concept developed by Soccer Northwest Ontario (SNO) in consultation with other key end users to address the community's need for indoor turf ('the SNO Option'). The report compares the proposed facility concept according to compliance with two (2) different building standards: i) the Ontario Building Code (OBC); and, ii) the City of Thunder Bay's Facility Design Standards Policy (CTB Facility Design Standard). In addition, the

report provides a high level summary of the 'SNO Option' to the original multi-use indoor turf facility planned for Chapples Park ('the Chapples Option'). Finally, options available to advance a facility solution and recommended next steps are included.

DISCUSSION

The SNO Option

The Site

The proposed SNO Option site is located on City owned lands/parkland west of the Thunder Bay Community Auditorium and south of the Canada Games Complex. The current Zoning By-law would permit the proposed use. The site is in a central area of the city, readily accessible to public transit routes and other sport, recreation and cultural amenities located in the 'Port Arthur' hub.

Accommodation of the proposed facility at this site will displace an existing full sized, 100m softball diamond that is heavily used by 3 softball leagues (50+ teams, 750 players) on a regular basis May to September and 9 out of 12 tournament weekends June to August. This existing softball diamond is considered a first choice in diamonds across the city as it is a suitable size for adult recreational softball. The City's Parks and Open Space Section recommends the reconstruction of a new diamond to the northwest of the existing diamond on the site of two existing underutilized small softball diamonds.

Accommodating parking requirements for the proposed facility (an additional 150 spaces) and existing parking displaced from the Community Auditorium will not be possible on the site. However, there is an opportunity to provide additional parking on nearby Winnipeg Avenue. There could be challenges in meeting parking needs and limiting traffic congestion in instances where there are multiple concurrent events being hosted at the major facilities in the area.

Other than the potential replacement of the existing softball diamond to accommodate the SNO facility, there are no planned sports field developments limiting the opportunity to integrate indoor/outdoor turf play and tournament hosting. Also, contrary to the Chapples Option, the SNO Option does not include electric ready parking stalls, motor coach parking and turnaround, planting and soft surfacing, transit shelter with stop onsite, connectivity to active transportation and pedestrian paths, landscaped bio-retention swales, site seating, lighting, and security.

The Building Program

The proposed SNO Option building program is similar to that of the Chapples Option; however, many of the building components have been downsized or minimized to stay within the SNO Option footprint and some building components have been eliminated.

The total floor area of the Chapples Option compared to the SNO Option is 11,805 m² compared to 9,233 m² (22% less). The total playing surface in the SNO Option is the same as the Chapples Option (5,510 m²); however, the SNO field configuration is now linear and narrower in width reducing the option for full field layout for multiple turf sports. In developing the Chapples Option, key end users requested a wider playing surface to be compliant with FIFA indoor turf standards. There is reduced perimeter space surrounding the playing surface. Seating capacity is 960 (31% less than Chapples Option 1,400) and all seating capacity is at the level of the playing surface. The second level mezzanine is at one side of the proposed playing surface as opposed to wrapping around the entire playing surface. Eight player changerooms are proposed with bench seating to accommodate up to 14 adults. Storage lockers will be available outside each player changeroom. However, as opposed to including shower/washroom facilities in each player changeroom as contemplated in the Chapples Option, shower and washroom facilities will be reduced and centralized and accessed from the field of play as well as the foyer corridor on the main floor. Male/female washrooms and one gender neutral washroom are also proposed on the second floor. Multi-purpose room space on the second floor will also serve as a meeting/board room. Concession space is on the second floor – removed from the main spectator area on the ground floor. Field storage capacity is reduced and there is no capacity for club equipment storage. Referee changerooms, administrative areas, mechanical, and potential for leased space elements are included but reduced in size compared to the Chapples Option.

Excluded from the SNO Option building program are the walking track and dedicated change room, showers and washrooms for each change room, toilet rooms included within the Referee changerooms, club storage area, benches for player seating at field level, recycling and garbage room, maintenance equipment and area for storage, and first aid room.

Building Design/Construction

The main building structure of the SNO Option is proposed to be a frameless rigid steel building. The frameless rigid steel building's exterior wall provides structure and serves as the building envelope. Stantec Architecture Ltd. notes that this type of building design is not considered best practice. Risks with the use of rigid panels include the need for a robust building maintenance program to monitor for rust, corrosion on exterior panels as a result of exposure to weather. The large, long building with convex roof will have a more industrial look. There are currently only 2 providers of these structures in Canada. Replacement of panels would likely be through these limited providers and there are limitations in renovating/expanding this type of structure in the future. In addition, increased roof inspections and periodic replacement of fasteners should be built into the capital renewal program in a short period of time (after 10 years).

SNO Option – Compliance with Ontario Building Code (OBC) v. City of Thunder Bay Facility Design Guidelines

The purpose of the City of Thunder Bay's Facility Design Standards is to demonstrate commitment to environmental, social, and economic improvements and to provide leadership in sustainable building practices. The Chapples Option design was according to Leadership in Energy and Environmental Design (LEED) Silver Principles. Therefore, this is the proposed standard to be applied for the SNO Option (CTB Facility Design Standard).

A minimum additional investment of \$2.44 million will be required to upgrade the SNO Option (OBC Compliant) to the CTB Facility Design Standard. Approximately \$1.45 million additional investment pertains to complying with LEED Silver Principles; the \$990,000 balance applies to achievement of improved accessibility and compliance with the City's Clean, Green and Beautiful Policy (No. 02-05-01).

As of January 1, 2018, all new buildings must meet energy and building envelope requirements of OBC standard SB-10. The SNO concept would be required to meet or exceed these requirements and the costs to meet this standard have been included in the review. The SNO Option (OBC Compliant) has energy cost savings of 19% over the Ontario Building Code's SB10 base building. The SNO Option's (OBC Compliant) estimated annual natural gas consumption is 131,670 m³ compared to the Chapples Option of 62,017 m³; the estimated annual electricity consumption for the SNO Option (OBC Compliant) is 776.9 KWh versus 1,715 KWh for the Chapples Option. Combined, the SNO Option will produce 133% more green house gas emissions annually than the SNO Option and annual energy costs will be 10% higher than the Chapples Option.

LEED Silver scores require a 40 – 45% energy performance reduction. Enhanced insulation and higher efficiency HVAC equipment are examples of upgrades required to achieve compliance of the SNO Option with LEED Silver Principles. Sustainability considerations such as the durability of materials, how they are sourced, the extent to which materials can be recycled, and stormwater management are other examples that differentiate the SNO Option (OBC Compliant) from CTB Facility Design Standard/LEED Silver Principles.

In respect of accessibility, the SNO Option (OBC Compliant) accounts for all barrier free requirements but not the London Facility Accessibility Design Standard that the City of Thunder Bay has adopted. An example of an improved accessibility feature is the wider turning diameter for a wheelchair in a Universal washroom.

The Chapples Option was designed to the City's Clean, Green and Beautiful Policy – Diamond Standard. The SNO Option (OBC Compliant) as currently designed does not meet the principles of Clean, Green & Beautiful nor the COTB Facility Design Standard and the local zoning regulations. Additional investments to the SNO Option (OBC Compliant) would include enhanced landscaping, image routes, and public art to deliver desirable spaces to live and work.

Capital Estimates

SNO had forecasted a capital cost of construction for the SNO Option of \$20 million. Stantec Architecture Ltd. engaged an independent consultant, Hanscomb Ltd. to obtain a Class C estimate of the capital construction cost of the SNO Option which is expected to have +/- 15-20% accuracy. In addition, Stantec requested an updated Class A estimate of the capital cost of construction for the original Chapples Option which is expected to have a +/- 5–10% accuracy.

The table below compares the estimated capital costs for the SNO Option based on the two different building standards requested of Council and the updated Chapples Option. Below is a high level comparison of the total capital costs of construction per option taking into account differences in the quality of cost estimates and the cost per square metre based on gross floor area. All cost estimates are pre-HST.

<u>Facility</u>	<u>Total Capital Cost</u>	<u>Cost per Gross Floor Area (m²)</u>
SNO Concept (OBC Compliant)	\$32.8M - \$49.2M	\$3,552 - \$5,328
SNO Concept (CTB Facility Design Standard)	\$35.0M - \$52.6M	\$3,791 - \$5,697
Chapples Option	\$45.9M - \$56.0M	\$3,888 - \$4,744

Values for each option have been inflated to reflect a May 2025 start.

While the total upfront capital requirements for the SNO Option are lower than the same for the Chapples Option, the difference in cost per square meter of gross floor area is marginal or lower. Please refer to Attachment A for more details on capital cost estimates.

Lifecycle Costs

Based on the estimated total capital cost of construction listed in Appendix A, the 40 year lifecycle cost per square metre of floor area is \$1,064 for the Chapples Option compared to \$1,177 for the SNO Option. In respect of energy lifecycle analysis over 40 years, the SNO Option will produce 133% more greenhouse gas emissions per square metre of floor area and energy costs are 10% higher than the Chapples Option.

Options to realize a Facility Solution

Scenario 1: Multi-use Indoor Turf Facility – Chapples Park

Administration believes that the Chapples Option offers the best value for money compared to the SNO Option. However, Administration appreciates that the upfront capital requirements exceed Council's tolerance for capital expenditures on the project. Opportunities to mitigate the financial implications to the City of advancing this project include: i) leveraging external funding opportunities; ii) rescoping the facility design; and iii) exploring project partnership opportunities.

A revised funding application was submitted to Infrastructure Canada for their second intake for the Green and Inclusive Community Buildings Program in March 2023. This funding application assumed a net-zero version of the Chapples Option with an updated capital cost of construction of \$51.9 million and a proposed \$25.9 million City cost share. It is unknown when Infrastructure Canada will render a decision. A decision from Infrastructure Canada in respect of our first unsuccessful application was received 13 months after submission which would correspond with a potential April 2024 timeline for decision.

The SNO Option illustrated the willingness of key end users to reconsider priority needs in a proposed facility solution. A revised scope of the building program for the Chapples Option could assist in reducing the total project cost. Administration would recommend the building standard comply with the CTB Facility Design Standard at a minimum.

The results of an Expression of Interest (EOI-02-2021) confirmed interest by qualified prospective private sector partners to advance an indoor turf solution. To advance a solution through a partnership approach, Council needs to approve the procurement for a Request for Proposal (RFP) and budget the additional capital funds to fully realize the project. Proponents that responded to the EOI would also be invited to respond to the RFP. The RFP would solicit more detailed proposals and would be aimed at finding the most qualified proponent with the best evaluated proposal. Pending the results of the RFP, the City could enter into negotiations for a contract with the preferred proponent.

The advancement of the project through a partnership approach would take longer to realize a solution and there is no guarantee that negotiations will be successful or how much financial implications to City could be mitigated. A prospective partner would likely want to undertake their own due diligence review of the business plan for the proposed facility and assess various site options.

Administration recommends that Council direct the issuance of a RFP to solicit interest by qualified prospective proponents to provide services to realize an indoor turf solution with Chapples Park identified as the preferred site. Examples of the services that could be provided would include, but not be limited to design, build, operate and maintain. The RFP would relay info on community needs, the various building standards explored to date, and the City's desire to achieve key objectives, including the mitigation of financial implications to the City.

Council had previously approved a project financing plan to an upset limit of approximately \$35 million. In order to support the issuance of RFP based on the

updated cost estimates in this report, Council would need to approve an updated project financing plan. (The actual City contribution to the project would depend on the outcome of the RFP process and subsequent partner negotiations.)

Administration is in the process of developing the draft 2024 – 2027 capital budget and needs more time to develop an updated project financing plan that takes into consideration the multiple infrastructure priorities, the status of various reserve accounts and to ensure compliance of the proposed financing plan with the City's debt management strategy. Administration will report back by November 6, 2023 and a proposed project financing plan to support the issuance of an RFP.

Scenario 2: SNO Option – Chapples Park

This scenario contemplates the construction of a revised scope facility, potentially incorporating some elements of the 'SNO Option' facility, at the recommended preferred site of Chapples Park. This option would negate the need to displace the existing softball diamond, limit the congestion that may be associated with concurrent event hosting at facilities in the Port Arthur hub, and offer increased opportunities for indoor/outdoor integration.

As mentioned above, the proposed RFP could share info on the SNO and Chapples designs and invite proponents to comment on options to rescope the proposed facility solution.

As an alternative to exploring this option through a partnership approach or RFP, Administration could continue to re-engage with key end users and Stantec Architecture Ltd., if they were willing and had the capacity, to work on rescoping the original Chapples design and report back to Council in early 2024 on a rescoped design and revised capital estimate. The risks with this approach relate to the additional expenses of rescoping design, the missed opportunity to receive input from prospective project partners, and the limited capacity of Stantec and other architectural service firms. For these reasons, Administration's recommended approach is to issue an RFP.

Scenario 3: SNO Option – Lands adjacent to Thunder Bay Community Auditorium

Administration does not recommend that Council advance the SNO Option at the proposed site adjacent to the Thunder Bay Community Auditorium due to site impacts/risks and the limited financial gain to the City available through this option.

Should Council direct the advancement of the SNO Option at this site, Administration recommends that public engagement be conducted as per the Council approved Public Engagement Framework – Major Projects. As part of the planned public engagement, feedback from the public could be sought on the SNO Option as compared to the Chapples Option. Should Council approve this option, Administration could report back on the results of public engagement by Q1 2024 and recommend next steps at that time.

CONSULTATION

Consultation has been conducted with SNO to confirm the facility concept at key intervals during the review of the SNO Option.

LINK TO EARTHCARE SUSTAINABILITY PLAN

While Council did not direct Administration to research a net zero standard for the SNO Option, should Council decide to advance the SNO Option at the current proposed site, Administration would recommend the facility be designed to be net-zero ready given the potential future opportunity to tie-in to a district heating/cooling system to serve multiple City-owned facilities in the Port Arthur hub. Preliminary estimates for Net-Zero ready or net-zero energy buildings indicate a premium of 7-11% over the CTB Facility Design Standard cost or up to an additional \$4.7 million.

FINANCIAL IMPLICATION

The financial implications associated with this report are outlined in Attachment A.

CONCLUSION

It is concluded that the upfront capital requirements for the two SNO Option building standards reviewed (\$32.8 million - \$52.6 million) are estimated to be lower than the same for the Chapples Option (\$45.9 million - \$56.0 million). However, the cost per square meter of gross floor area, the lower energy costs, and the lower lifecycle costs per square meter over the expected 40 year life of the facility suggest that the Chapples Option provides better value for money.

Administration recommends the Chapples site as the preferred site for a proposed multi-use indoor turf facility.

Administration recommends that Council direct the issuance of a RFP to solicit interest by qualified prospective proponents to provide services to realize an indoor turf solution with Chapples Park identified as the preferred site. This approach is recommended to confirm interest of potential partners, including qualified proponents who previously responded to EOI-02-2021, to partner with the City, invite their proposals on the proposed building program and their capacity to contribute to the project to achieve shared objectives, including the mitigation of financial implications to the City.

In order to support the RFP, Council would need to approve an updated project financing plan. Administration will report back to Council on an updated project financing plan by November 6, 2023.

BACKGROUND

At their March 6, 2021 Committee of the Whole meeting, Council decided not to proceed with the award of contract for construction of a proposed multi-use indoor turf facility to be located at Chapples Park (R 9 2021).

A Non-business meeting of Council was held April 29/21 to provide background information to Council of their decisions to date in respect of the proposed multi-use indoor turf project, community needs and Council's approved objectives for the project, project timelines and funding models.

At the May 17, 2021 Committee the Whole, as a result of a motion from Councillor Bentz, Council directed Administration to report back by June 14/21 on an Expression of Interest to solicit interest from the marketplace on interest in a potential partnership with the City to advance short and long term solutions.

At their June 7, 2021 Committee of the Whole meeting, Council directed Administration to proceed with a funding application to Infrastructure Canada's Green and Inclusive Community Building Program by July 6/21 – Large Retrofit/New Build Category (R 82 2021).

At their June 14, 2021 Committee of the Whole meeting, Council directed Administration to proceed to administer the above mentioned EOI and report back on the status and outcome of the EOI by Nov. 30/21 (R 85 2021). EOI 02-21 was issued July 26/21 and closed Aug. 27/21.

At their November 22, 2021 Committee of the Whole meeting, Council received an update on the results of the EOI (8 submissions received – 4 long term solutions; 4 short term solutions) and resolved to await a determination by Infrastructure Canada on the Green and Inclusive Community Buildings (GICB) funding application (R 151 2021).

At their March 14, 2022 Committee of the Whole meeting, Council resolved to await a determination by Infrastructure Canada on the funding application, directed Administration to engage with the Tournament Centre operator to maintain the temporary conversion of one ice surface for the upcoming 2022-2023 indoor season, and report back by Q1 2023 on the implications of an extended conversion of one surface at the Tournament Centre (R 20 2022).

At the July 25, 2022 Committee of the Whole meeting, Council directed Administration to seek direction from the newly elected Council on a long term facility solution given a response received June 13, 2022 from Infrastructure Canada that the funding application to the GICB program was unsuccessful and given the need for a significant capital contribution from the City to advance the project and the potential that the current Council would be in a restricted acts 'lame duck' position as of August 19, 2022 (R 123 22). This report also provided feedback from key end users on their demand for indoor turf post pandemic and their priority needs. The report also provided additional public information on the short term and long term proposals received through the EOI.

Given concerns from indoor turf users and the negative implications on ice users with proposed short term solutions involving the Tournament Centre or the erection of an air supported structure over Fort William Stadium turf, Administration did not recommend pursuing a short term solution other than engaging with the Tournament Centre operator to maintain the temporary conversion of one surface for the 2022-2023 indoor season.

At their December 12, 2022 Committee of the Whole meeting, a newly elected Council received a deputation from Soccer Northwest Ontario (SNO) on a proposed alternate facility concept to be located on City lands adjacent to the Thunder Bay Community Auditorium.

At their December 19, 2022 Committee of the Whole meeting, in response to a memo from GM Robertson, Council resolved to defer a report to advance a long term solution expected January 2023 based on proposals received through the EOI process to allow Administration to proceed to explore the implications of the new, alternate SNO facility/location concept. The memo laid out the proposed scope of work to be funded through an appropriation from the Indoor Turf Reserve Fund (\$170K), and an expected report back date of March 13, 2023.

On March 6, 2023, G. Broere provided a memo to Council on the work completed to date on the SNO option and preliminary findings. The memo recommended Administration proceed with the remaining scope of work and report back in May 2023. Also, Administration advised Council that a funding application for the proposed original facility concept at Chapples had been updated and submitted to Infrastructure Canada's GICB 2nd Intake – March 6/23 – and that Council could withdraw this application at any time.

On April 3, 2023, Council resolved that Administration report back on the costing of 2 versions of the SNO facility concept: i) one that meets minimum legislated requirements (but not the City's Facility Design Guidelines or Net Zero requirements); and ii) one that meets the City's Facility Design Guidelines. Also, a report back date of September 11/23 was confirmed to allow for works to be completed sequentially to avoid unnecessary expenditures should key challenges to the potential redevelopment of the site be identified.

REFERENCE MATERIAL ATTACHED

Attachment A – High Level Summary of Building Program – SNO versus Chapples Options

Attachment B – SNO and Chapples Options – Capital Estimates

REPORT PREPARED BY

Kelly Robertson, General Manager – Community Services

REPORT SIGNED AND VERIFIED BY

Kerri Marshall, General Manager - Infrastructure, Development & Operations.

Date (31/08/2023)