

Corporate Report

REPORT NUMBER 386-2024-Infrastructure, Development & Operations-Engineering & Operations

DATE

PREPARED

September 3, 2024

FILE

MEETING DATE

October 21, 2024

SUBJECT

Chippewa Park C.W. Parker Carousel – New Building Enclosure Update

RECOMMENDATION

WITH RESPECT to Report 386-2024-Infrastructure, Development & Operations-Engineering & Operations, we recommend that up to \$234,868 from the Renew Thunder Bay Reserve Fund be used to fund the C.W. Parker Carousel Building Enclosure project;

AND THAT up to \$300,000 from the Municipal Accommodation Tax Reserve Fund be used to fund the C.W. Parker Carousel Building Enclosure project;

AND THAT any additional funding received through grants or fundraising for the C.W. Parker Carousel Building Enclosure project be used to reduce the contribution from the Renew Thunder Bay Reserve Fund;

AND THAT Administration proceed with final project planning and procurement to facilitate construction in 2025;

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

LINK TO STRATEGIC PLAN

This Report aligns with the following pillar identified in “Maamawe, Growing Together: City of Thunder Bay Strategic Plan 2023-2027.”

Safety and Well Being: Objective: Facilitate consistent accessible programming for lively community spaces.

EXECUTIVE SUMMARY

In November of 2020 Council supported a \$500,000 Heritage Canada funding application that would contribute to the costs of constructing an enclosure for the newly restored C.W. Parker Carousel. The recommendation was supported by Council, as well as a commitment of \$300,000 from the Renew Thunder Bay Reserve Fund subject to the approval of pending external funding applications.

Due to inflationary pressures the project has been unable to secure all required funds in order to proceed to construction. One of the key external Provincial funding sources for this project, tentatively approved for \$800,000, requires all project funding be secured by November 30, 2024. Administration recommends that the Renew Thunder Bay Reserve Fund and Municipal Accommodation Tax Reserve Fund be used to demonstrate full project funding at this time to secure all pending external funding sources and enable the project to proceed to construction in 2025.

DISCUSSION

At the Committee of the Whole meeting held November 23, 2020, Administration presented a memo requesting Council support a \$500,000 Heritage Canada funding application that would contribute to the costs of constructing an enclosure for the newly restored C.W. Parker Carousel, a city-owned asset and designated heritage structure. The simple, purpose-built building would protect and preserve the carousel and would be attached to the existing Chippewa Park pavilion building. The recommendation was supported by Council, and a commitment of \$300,000 from the Renew Thunder Bay Reserve Fund was approved subject to the approval of pending external funding applications. Subsequently, Heritage Canada approved \$450,000 towards the building. Also, a Provincial funding source has been tentatively approved for \$800,000.

Since the 2020 memo to Council, inflationary pressures have increased the estimated cost of the project from \$1,593,306 to \$2,221,440 including a 20% contingency. As a result, The Friends of Chippewa Park have continued to seek additional external funding to fully fund the project, including an application to FedNor for \$250,000 which is still pending.

One of the key external Provincial funding sources for this project, tentatively approved for \$800,000, requires all project funding be secured by November 30, 2024. If these terms are not met this external funding source will rescind their approval/agreement. As this is a major project funding component, the success of the overall project relies heavily on meeting this deadline. As a result, Administration recommends that the Municipal Accommodation Tax Reserve Fund and the Renew Thunder Bay Reserve Fund be committed to fully fund the project at this time. This will secure all pending external funding sources, enabling the project to proceed to construction in 2025.

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Based on estimated costs and all approved funding, to fully fund the project at this time the contribution from the Renew Thunder Bay Reserve Fund will increase from \$300,000 to \$534,868 and \$300,000 from the Municipal Accommodation Tax Reserve Fund would be required. Should Council support this recommendation, the resulting funding ratio would be 56.3% external funding, 24.1% Renew Thunder Bay, 13.5% MAT Tax, and 6.1% other City capital. Should future or pending funding grants for the C.W. Parker Carousel Building Enclosure project be successful those amounts would be used to reduce the contribution amount from the Renew Thunder Bay Reserve Fund.

The full restoration of the carousel is in its final stages and is expected to be complete next spring. This complete renewal was a true community effort which significantly reduced the City's capital investment required to restore and extend the life of this asset. Enclosing the carousel will protect these renewal investments from the elements long term which will reduce future renewal costs as well as seasonal operating and maintenance efforts. It will also increase our ability to promote and market the carousel, diversify programming, and provide the opportunity to operate at different times of the year to support park activities.

FINANCIAL IMPLICATION

The estimated cost of constructing an enclosure for the newly restored C.W. Parker Carousel is \$2,221,440 with recommended funding sources as follows:

Heritage Canada Grant	\$ 450,000
Provincial Grant	\$ 800,000
Renew Thunder Bay Reserve Fund	\$ 534,868
Municipal Accommodation Tax Reserve Fund	\$ 300,000
Other	<u>\$ 136,572</u>
Total	\$2,221,440

CONCLUSION

It is concluded that it is in the City's best interest to have an enclosure to protect the newly restored C.W. Parker Carousel and in order to maintain the Provincial funding source of \$800,000, full project funding is required.

It is further concluded that \$234,868 from the Renew Thunder Bay Reserve Fund and \$300,000 from the Municipal Accommodation Tax should be contributed to the project in order to demonstrate full project funding.

It is further concluded that any additional funding as a result of successful outstanding grant applications or fundraising for the C.W. Parker Carousel Building Enclosure project reduce the contribution from the Renew Thunder Bay Reserve Fund.

BACKGROUND

At the Committee of the Whole meeting held November 23, 2020, Administration presented a memo requesting Council support a \$500,000 Heritage Canada funding application. The recommendation was supported by Council, as well as a commitment of \$300,000 Renew Thunder Bay funding subject to the approval of pending external funding applications.

REPORT PREPARED BY

Cory Halvorsen, Manager – Parks & Open Spaces

REPORT SIGNED AND VERIFIED BY

Kerri Marshall, General Manager – Infrastructure, Development & Operations

Date (10/11/2024)