



February 14, 2020

**Memo To:** Capital Sustainability Steering Committee

**From:** David Dexter, Director of Financial Services and Treasurer

**Subject:** Remaining Capital Areas Update

Throughout 2019 the Capital Sustainability Steering Committee met five times and reviewed the majority of Capital categories. From these meetings and reviews, a number of recommendations went forward to Council for adoption. Three significant areas have not yet been reviewed, as they are not ready for presentation to Committee for varying reasons. These areas are:

1. Library Facilities & Assets
2. Civic Precinct
3. Civic Administration Centre Space

The balance of this memo describes the status of each with recommendations where applicable.

### **Library Facilities and Assets**

The Richmond Hill Public Library is in a time of transition. With the Chief Executive Officer's (CEO) retirement and a new Board the plan for the future may change. The Library Board is actively recruiting their new CEO. The Board identified as part of the 2020 Business plan a need for an updated strategic plan and corresponding master plan. The 2020 Capital budget has \$100,000 to update the Strategic Plan and the capital forecast has an additional \$100,000 in 2021 to update the Library Master Plan. The new CEO will lead this initiative as a Library Board priority. These updates may result to changes to the capital requirements outlined in the existing master plan for a few reasons. The amounts projected does not account for inflation from when the plan was established and the Master Plan may change.

The current Master Plan requires a capital outlay of \$59,113,057 between 2021 and 2028. The planned expansions of the Central Library (\$12,000,600) and Richmond Green Library (\$7,882,000) and the new Library at the Richmond Hill Centre (\$9,346,000) account for approximately \$31,597,957 (53.5%) of the total forecast. The remainder is for repair and replacement of existing furniture/Fixtures and Collections Development as well as growth requirements in these areas.

The Library contributes to the repair and replacement reserve annually. If the amount is not available for the Library to access, the contribution to the Reserve is not justified and the Library may use the budgeted amount to fulfill their needs in this area. This would result in a decrease in the amount available for repair and replacement for the Library as the amount contributed to the reserve is typically less than the amount accessed.

Growth projects are financed with development charges collected for Libraries. At this time, it is unclear how the changes in legislation will affect the amount available for libraries. Any required adjustments will be reflective in future updates.

In light of the upcoming review of the Library Master Plan and the uncertainty regarding how the legislative changes around development charges will affect funding availability for the Library, it is prudent for the Library to recommend maintaining the placeholders in the long-term forecast. However, the new facility and expansion projects, 53.5% of the total anticipated budget will be on hold and not requested until the Library Board presents the updated Master Plan to Council for endorsement. The future budget requests associated with growth and repair and replacement will be based on business cases provided to Council based on assessed need at that time.

### **Recommendations:**

**The Capital Sustainability Steering Committee recommends to Council:**

- a) Maintaining the existing capital forecast for the Library in the 10 year plan;**
- b) The Library Facility and Expansion Projects be on hold until the Library completes the updated Library Master Plan and presents to Council for endorsement.**

### **Civic Precinct**

On July 8, 2018, Council directed “staff to report back on a revised scope of work for the Civic Precinct Project at the time that staff report back on alternate options to accommodate the Town Hall space needs.”

The Civic Precinct site located at the southwest corner of Yonge Street and Major Mackenzie Drive is an important space in the centre of Richmond Hill. Since the acquisition of the land in 1988, redeveloping the site by creating a civic centre, incorporating a municipal administration building and other public amenities has been the focus of several studies and concept planning efforts. In 2012, a vision and a conceptual plan was developed based on community input. Traditional and alternative financing models were considered.

As the City continues to grow and with the extension of the subway to Richmond Hill, the Civic Precinct site continues to offer a strategic opportunity to support future growth, improve transit and pedestrian connections, and increase vibrancy in the Downtown through greater integration and mix of uses. Staff propose to conduct a Feasibility Study that evaluates a new approach for the Civic Precinct by assessing intensification options, creating a mixed-use community including private and public amenities. Coordinated through an external vendor, this work would involve community consultation, the development of design options including municipal, residential, and commercial uses, and a market and financial analysis.

This approach would refresh the community's vision for the Civic Precinct and consider a novel approach that balances community value with development costs.

**Recommendation:**

- c) Staff recommend that a feasibility study for the Civic Precinct site be undertaken, for \$400,000 funded from the existing Civic Precinct budget, be approved.**

**Civic Administration Centre Space**

Further to direction from Council in July 8, 2018, the City of Richmond Hill staff are currently undertaking an exercise to revisit the Civic Administration Centre space requirement and investigate alternate options to accommodate future City Administration growth. Staff have reconfirmed space needs (using previously approved space standards per person), parking requirements, and are investigating a full range of options available to accommodate future staff growth, including the risk profile and high-level budget impacts of each option. Colliers Project Leaders was engaged to conduct this Accommodation Options Analysis in order to present the findings to the City. The City is open to entertaining different structures, such as lease or own, as well as other approaches such as use of satellite offices. The results along with recommendations arising out of these investigations are to be detailed in a Civic Administration study which will be presented to the Civic Accommodations Steering committee and ultimately Council, anticipated by mid 2020.

The study is underway and various options have been identified and prioritized based on an evaluation matrix that takes into account multiple factors such as financial impacts, inherent flexibility of implementation in order to match future growth as it is realized, functionality and synergies amongst Departments.

To date the options identified require some further investigation and refinement prior to the study being presented. Specifically with respect to the further refinement of project schedules for each options as well as order of magnitude budget costs for each option.

Each of these three capital categories will be reported to their respective Boards and Committees before going forward to Council.

In the meantime, staff are in the process of updating the Ten-Year Capital Forecast based on approved recommendations from this Committee. Finance staff will then develop a Financial Sustainability Strategy based on these forecasts. Staff expect to present a draft strategy to this Committee in June 2020.

David Dexter,  
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