



DDO Park Project Steering Committee Meeting

Date of Meeting: April 24, 2019

Report Number: SREIS.19.007

Department: Environment and Infrastructure Services

Division: Design and Construction Services

Subject: David Dunlap Observatory Park Early Priorities
Project Update

Purpose:

To provide an update on the status of the David Dunlap Observatory Park early phase priorities.

- a) That Staff Report SREIS.19.007 be received;
- b) That the David Dunlap Observatory Council Steering Committee recommend continued support for the David Dunlap Observatory Project;
- c) That the early priorities identified in SREIS.19.007 be deferred for incorporating into the 10 Year Capital forecast, following the outcome of the Financial Sustainability Committee review;
- d) That staff continue with the implementation of the recommendations for the David Dunlap Observatory Park buildings restoration as outlined in SREIS.17.021 as well as the woodland restoration work approved through the Corsica development agreement.

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Neil Garbe
City Manager

Background:

The DDO Master Plan was approved by Council on September 26, 2016 outlining Eight Key Principles

On April 7, 2014 Council approved a framework and budget for the David Dunlap Observatory (DDO) Park Master Plan (SRPRS.14.079) and directed staff to issue a Request for Proposals to hire a consultant team to complete a Master Plan. The Request for Proposals was released and the team led by Janet Rosenberg & Studio was the successful proponent. Following completion of the assignment, Council approved the recommendations of SRPRS.16.064 on September 26, 2016 to approve the Master Plan and “that capital projects to facilitate design and construction of the *“Early Priorities” identified in the “Implementation” section of the David Dunlap Observatory Park Master Plan be incorporated into the 10 Year Capital Forecast as appropriate*”.

The Master Plan identified eight (8) key principles to guide the development of the DDO Park Master Plan:

1. Provide the appropriate mix and location of activities;
2. Feature the Observatory;
3. Preserve and enhance natural areas;
4. Use Elms Lea in a complimentary role;
5. Create a vibrant and inclusive place;
6. Plan for connectivity;
7. Support educational programming; and
8. Reflect history in a clear identity.

The Master plan study recognized that Implementation of the Master Plan is considered ambitious and therefore it separated projects in into three phases over a 15-20 year period

While the DDO park is considered a location with important cultural and natural heritage assets, the Master Plan is ambitious, multi-faceted and will require considerable funding. Full realization of the Master Plan is projected to take 15-20 years to execute, however the pace of implementation would depend on the City’s priorities and ability to source large scale funding.

The Master Plan recommended implementation of individual components of the plan within three general priority groups. The suggested phasing for Implementation of the Master Plan divided the work into three phases.

- Phase 1 - Early Priorities (1-5 Years)
- Phase 2 - Medium-term Projects (5-10 Years)
- Phase 3 - Long-term Projects (10+ Years)

The phasing plan of the Master Plan was intended as an initial guide to short-medium-, and long-term priorities and it identifies park elements that - ideally - will be developed within the same five-year window. The suggested *Early Priorities* are focused on establishing DDO Park as a working park. This requires development of basic infrastructure, including most park entrances, certain drives and walkways, lighting and wayfinding signage.

The Master Plan identified the need for a feasibility study as a required precursors to the implementation of the early priorities in order to validate sequencing and funding

The Master Plan identified that adjustment to the phasing schedule would occur based on the recommendation to undertake a feasibility study which was completed in April 2018 by Strybos Barron King Ltd. The study provided an evaluation of the 'Early Priorities' phase, while considering the overall DDO Park Master Plan as a whole. The study provides a more refined review of the Master Plan and a high level review of all the studies, plans, and cost estimates. The feasibility study process involved the review and analysis of various components of the DDO Park Master Plan and other initiatives related to the park. The methodology included an analysis and recommendations for park development phasing; a review of the DDO Woodland Restoration and Creation Program; and the preparation of various feasibility reports; including but not limited to soils feasibility, site servicing, acoustic feasibility and a proposal for Archeological Assessment.

Following the completion of the Feasibility Study, the DDO Staff Steering Committee undertook a comprehensive review of the phasing for the early priorities to better inform a detailed 10 year capital forecast

In view of the considerable financial commitment and sequencing the project requires, the DDO Staff Steering Committee undertook a review of the priorities following the completion of both the Master Plan and the Feasibility Study later in 2018. The purpose of this review was to gain greater understanding of the logical sequencing of the project elements, financial impact and to better inform a detailed 10 year capital forecast. Each member of the committee individually ranked each project element supported with their rationale and the results were later compiled. Below is a summary of the priorities that were evaluated at different stages of the projects projection. The more significant modifications were advancing the rehabilitation of the buildings, as well as items not previously identified such as temporary trails, the purchase of land on the west side of

the CNR tracks to support pedestrian access to the park and the addition of various studies. Below is a summary of the project ranking from each.

PROJECT	STAFF STEERING COMMITTEE PRIORITY RANKING Q3 2018	EARLY PRIORITIES FEASIBILITY STUDY PRIORITY RANKING April 2018	MASTER PLAN PRIORITY RANKING April 2016
DDO Early Priorities Feasibility Study	Early	-	
Programs for Observatory and Administration Building	Early	-	
Mobilization/Insurance	Early	Early	
Sediment Control/Construction Fencing	Early	Early	
Demolition/Removals	Early	Early	
Refurbish Administration Building Parking Lot & Driveway	Early	Early	Early
Restoration of Observatory and Administration Building	Early	Early	Medium
Park Entrances (including entrance features and signage)	Early	Early	Early
Perimeter Fencing / Encroachments	Early	Early	Early
Trail System (Main, Supporting and Nature Trails)	Early	Early	Early
Great Lawn	Early	Early	Early
Picnic Areas and Covered Pavilions	Early	Early	Early
Washroom Facility	Early	Early	Early
Playground including Water Elements / Features	Early	Early	Early
Reforestation including Woodland Management	Early	Early	Early
Meadows Management	Early	Early	Early
New Observatory Parking Lot	Early	Medium	
Temporary Trails	Early	Early	
Study - Maintenance Building & Operations Feasibility	Early	Early	Early
Study - Marketing and Development Plan (Communications Plan)	Early	Early	Early
Study - Signage and Wayfinding	Early	Early	
Study - Traffic / Parking	Early	Early	

Study - Archaeological	Early	Early	
Park Operations Maintenance Facility (Stand Alone building)	Early	Early	
Temporary Refurbish Elvis Stojko Parking Lot	Early	Medium	
Earthworks/Site Servicing (storm, sanitary, water and electrical)	Early	Early	
Maintenance facility	Early	Early	
Purchase Lands West Side of CNR	Added		

The next steps of implementation as established at the DDO Staff Steering Committee of October 24, 2017 have been completed and/or are still ongoing

At its meeting of October 24, 2017, the DDO Park Project Steering Committee (DDOP#01-17) identified specific next steps for the DDO Park to be reviewed. The table below identifies those next steps and the status of each to date.

Reconstruction of driveway from Hillview Drive to the administration building roundabout and parking lot improvements	Completed
Sanitary sewer and water servicing (to Admin Bldg.)	Completed
2017 Approved Feasibility Study	Completed
Preparation of Fire Safety Plan	Completed
Delivery of Educational and Public Outreach Programming Report	Completed & Ongoing
Work Plan for building repairs	Completed
David Dunlap Observatory Park financial tracking	Ongoing
Report on David Dunlap Observatory Park priorities and timing	Completed/Ongoing

Financial/Staffing/Other Implications:

The Capital Costs to implement the DDO Park early priorities have increased from the initial Master Plan primarily due to the outlays required for the rehabilitation of the DDO buildings and the purchase of lands for the Observatory Lane rail overpass

Initially, the estimate for the “Early Priorities” established in the Master Plan was \$12M (2016) and later updated to \$15.6M (2018) as part of the recent Feasibility Study. The total cost is based on high level cost estimates (Class D estimate) for the various components of the plan and includes allowances for consulting fees, inflation and contingency. The estimates in the Master Plan set out a rough order of magnitude cost estimate (Class D) for the major projects outlined in the plan. The estimates provided are for general planning purposes only and by its nature contains high level estimates for planning purposes.

Consistent with the City's practice, the Feasibility Study identified that updated detailed cost estimates would be provided with the implementation of each phase of the overall project as they move through the various design phases and class estimates. This was realized in SREIS.17.021 for the DDO Building Conditional Assessment Report carried out by the Ventin Group Ltd. that identified \$5,745,300.00 short term (Early Priority) rehabilitation work for the Observatory Buildings.

Additionally, the assessment identified further medium term (5 -10 year) repairs estimated to be \$5,262,500 required for ultimate occupancy of the Observatory and Administrative building in accordance with the Building Code classification (ear marked for 2023) and \$0.7M to restore the core critical systems (planned for 2028).

Further to the additional building renovation costs, was the expenditure for the land acquisition for the Observatory Lane rail overpass. While the Master Plan identified the overpass as a medium priority, it did not include for the costs to acquire the land in order to facilitate the overpass link to the two communities on either side to the CNR. Once the property became available recently on the west side of the CNR, the City acquired land to facilitate the ultimate linkage. This strategic property will provide a vehicular parking lot and a pedestrian linkage to the DDO.

As project elements advance in project maturity, more detailed cost estimates are developed. The Master Plan is a prime example of how the document appropriately considered the building renovations, however, it was not until the building condition assessment report was completed that the full economic impact of required work could be identified; and coupled with the rail overpass land acquisition, the early priorities estimate has increased to approximately \$24M. On this basis, the overall estimated capital cost to implement the DDO Master Plan elements that was originally identified at \$54M over a 15 to 20 year timeframe will be-greater as a result of these commitments and increases the total implementation costs to \$74M. The table below summarizes the estimates and commitments to date.

	Early Priority Projects (1-5 YRS) (M)	Medium Term Projects (5-10 YRS) (M)	Long-term Projects (10+ Years) (M)	Total* (M)
Master Plan Estimate (2016)	\$12.0	\$27.8	\$13.9	\$54.0
Feasibility Study Estimate (2018)	\$15.6	-	-	+ \$ 3.6
Building Renovations (SREIS.17.021)	\$5.75	\$5.26	\$0.7	+ \$11.7
(Aprox.)Rail Overpass Land Acquisition	\$5.0	-	-	+ \$ 5.0
Total Estimate to Date				\$74M

*Estimates Rounded

Alternatives to implementing the early priorities have been explored to defer capital costs of construction and manage escalating total project costs

Given the nature of the project, the majority of capital costs are eligible for funding from the Cash-in-Lieu of Parkland and Outdoor Recreation Facility Development Charges reserves. There are other potential sources of funding available including revenue from the federal Gas Tax Fund for municipal infrastructure, grants or loans from senior governments or agencies, private sponsorships or partnerships and community fund-raising. It is recognized that given the magnitude of the project and the number of elements that have been earmarked for the Park, financing will be problematic. On this basis options have been explored while the refocusing of the corporate priorities is being undertaken by the newly formed Council Financial Sustainability Committee. The following are some options for consideration:

Option 1: Continue as Planned

Continue with approved recommendation from SRPRS.16.064 *“that capital projects to facilitate design and construction of the “Early Priorities” or Phase 1 identified in the “Implementation” section of the David Dunlap Observatory Park Master Plan be incorporated into the 10 Year Capital Forecast as appropriate”*. The early priorities high level budget is estimated at \$24M. Including the planned woodlot restoration works.

Option2: Defer Components of the Early Priorities and Maintain a Quiet Park

Limit components of the early priorities within the 10 Year Capital Forecast to the existing building restoration works, the planned building work for 2023 and the woodlot restoration and leverage grant funding or alternative funding models. The interim measure would provide for perimeter fencing to secure the site and temporary trails for community use. Estimated at \$1M.

The existing 2018 approved budget of \$1.6M for design would be utilized to complete the studies identified as part of the early priorities and continue the detail design of early priorities established by the Staff Steering Committee as per master plan. The previously approved work associated with the building renovations would continue as planned to facilitate the existing programming of the existing DDO buildings

Option 3: Defer all DDO Park work (not including the ongoing and planned early and medium term building restorations planned for 2023 associated with the Master Plan and Conditional Assessment and the woodlot restoration works).

This option would defer all early priorities beyond the 10 Year Capital Forecast and close the design budget account of \$1.6M. The previously approved work associated with the building renovations would continue as planned. This option is not recommended by staff, as there is significant progress that can be made on the park development utilizing earmarked funding that is available through the development process. Further utilizing this option would restrict the ability to have shovel ready projects available in the event other funding sources become available through other levels of government.

Operational Costs and Staffing Implications

Following the outcome of the Financial Sustainability Committee Strategy that aims to review master plans and service standards, the estimated operational and maintenance costs will be better understood. The operational impacts based on staying the course from the Feasibility Study identified a maintenance facility estimated at \$1M and in consultation with Community Services, a full time presence of maintenance and operations staff is expected at the park as well. Additionally, there are various other implications for Divisions/ Sections across the City such as Environmental Services Division staff overseeing woodland restoration and management funds secured through the Corsica OMB settlement as well as the Recreation and Culture Division with ongoing responsibility related to educational programming at the site and the negotiation of associated partnership arrangements. Currently, the Design and Construction Division is perhaps most directly impacted by the Master Plan itself as staff of that section will be charged with the design and construction of recommended capital improvements to the park.

RELATIONSHIP TO THE STRATEGIC PLAN:

Completion of a David Dunlap Observatory Park Master Plan is consistent with Goal Four of the Strategic Plan – Wise Management of Resources – given that the Master Plan will guide responsible management and use of the DDO Park lands. The Master Plan proposes a system of gateways and trails that will facilitate stronger physical connections within the site and to the surrounding community. It also proposes themes, facilities and programming that will connect residents to the cultural history of the site. Additionally, the Master Plan recommends facilities and programming for the lands which will provide residents with “Better Choice” (i.e. a wider variety of recreational, educational and leisure experiences in the City).

CONCLUSION:

While council approved the David Dunlap Observatory Park Master Plan prepared by Janet Rosenberg & Studio (SRPRS.16.064) as a visionary plan for a Destination Park that will showcase the City’s significant cultural heritage landscape and contribute to the City’s identity, the estimated capital cost to implement the complete DDO Master Plan originally estimated \$54M (including consulting fees, inflation and contingency) is a high order of magnitude estimate and subject to cost fluctuation in the absence of a mature design. Early priority projects including major components of the permanent trail system, the playground and picnic area, maintenance facility, park entrances and pedestrian bridge over the CNR tracks could be scaled back to temper the financial burden associated with full implementation. It is staffs opinion that as minimum, the building restoration works currently underway, future building works planned for 2023, woodlot restoration works that are also currently underway and temporary trails and perimeter fencing should be continued and the associated funding included in the 10 year Capital Plan. Other works identified through the Master Plan and the updates

provided within this report, should be forwarded to the Capital Sustainability Committee for consideration.

Given the recent desire of Council to review the Capital Sustainability of all plans, staff recommends that the DDO Steering Committee defer inclusion of early priorities in the 10 Year Capital forecast following the outcome of the Financial Sustainability Strategy.

