

# The Corporation of the City of Kawartha Lakes

## Council Report

Report Number CS2017-001

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**Date:** January 10, 2017

**Time:** 2:00 p.m.

**Place:** Council Chambers

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**Ward Community Identifier:** Fenelon Falls

**Subject:** Fenelon Falls Community Centre Build Canada Grant Funding Reconciliation and Update

**Author/Title:** Craig Shanks  
Director of Community Services

**Signature:**

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### Recommendation(s):

**RESOLVED THAT** Report CS2017-001, "Fenelon Falls Community Centre Build Canada Grant Funding Reconciliation and Update", be received; and,

**THAT** Council approves the use of the Residual Fenelon Falls C.H.E.S.T. Funds to cover the shortfall/deficit of the of the Fenelon Falls Community Centre Project (PR0917/PR1334) in the amount of \$233,802.14.

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**Department Head:**

**Corporate Services Director / Other:**

**Chief Administrative Officer:**

## **Background:**

As Council is aware the City of Kawartha Lakes received a Build Canada Infrastructure Grant in 2009 for the purposes of constructing the new Fenelon Falls Community Centre. This Grant was in the amount of \$7M with \$3.5M being received from each of the Federal and Provincial Governments respectively. The City contributed the remaining \$3.5M (from various sources) to provide the total \$10.5M project budget (PR0917/PR1334).

*RESOLVED THAT Council direct staff to apply for funding under the Building Canada Program for eligible initiatives identified in the Arena Assessment and Lindsay Recreation Complex Feasibility Study, including but not limited to: the Fenelon Falls Arena and Community Centre, Lindsay Recreation Complex Accessibility Upgrades and Accessibility Upgrades in other Arenas and Community Centres as identified within the Study.*

CR2008-793

The construction project was commenced in 2011 and completed in 2012 with the facility opening in Fall of 2012. The project was completed on time and within the allotted \$10.5 M budget.

However, as part of this Grant agreement/contract the City is required to submit regular and final project reconciliations. This report is being brought forward as the final reconciliation has been submitted and the Build Canada Infrastructure group has advised that various items were outside the scope of permitted projects and thus the City needs to cover those costs entirely.

In 2007, as per Staff Report CAO2007-018, the City supported the use of the Fenelon Falls C.H.E.S.T. Fund for the Fenelon Falls Community Centre Project.

*RESOLVED THAT the Fenelon Area Community Centre Inc. receive up to \$1 million for the recommended project from the Fenelon Falls Legacy C.H.E.S.T. Funds; and that the remaining Fenelon Falls C.H.E.S.T. funds be placed in a reserve for up to \$315,000.00 for the operating costs of the community centre.*

CR2007-368

This report is seeking approval from Council on utilization of the Fenelon Falls C.H.E.S.T. Funds to balance the project financials.

## **Rationale:**

The Fenelon Falls Community Centre has become a focal point of the City and in fact a facility that not only the community of Fenelon Falls but the City as a whole is very proud of. The project itself, through the partnership between the volunteer Building Committee and the City, was a huge success.

The project was completed on time with the facility being opened for the 2012-13 ice season and within the \$10.5 M budget with a total cost of \$9,977,231.86.

However, as the Build Canada Fund has not approved the full cost reconciliation, staff are recommending the use of the Fenelon Falls C.H.E.S.T. Fund for this. There is currently enough funds within the C.H.E.S.T. Fund to cover this shortfall and a previous resolution of Council (CR2007-368) approved the use of the C.H.E.S.T. Residual Funds for this project.

Some of the items which were not approved by Build Canada were the Electric Ice Resurfacer, various portable kitchen equipment, other various facility portable equipment and some contractor costs.

### **Other Alternatives Considered:**

There are no alternatives being suggested by staff.

### **Financial Considerations:**

The following was the list of funding sources which made up the total \$10.5M funding source.

<b>Revenue Source</b>	<b>Amount</b>
Build Canada – Federal Contribution	\$ 3,500,000.00
Build Canada – Provincial Contribution	\$ 3,500,000.00
City Contribution –	
Invest in Ontario Grant	\$ 1,000,000.00
Fenelon Falls CHEST Contribution	\$ 1,000,000.00
Debenture	\$ 1,000,000.00
Community Contribution **	\$ 500,000.00
Total	\$ 3,500,000.00
<b>Total</b>	<b>\$10,500,000.00</b>

\*\* The community contribution will be achieved by the time construction is completed. Funding partners have been Hydro One, The Fenelon Falls Rotary Club, Fenelon Falls (Sturgeon Thunder) Minor Hockey Association, Fenelon Falls Figure Skating Club, numerous fundraising events and funds from specified parkland cash-in-lieu. This full amount of \$500,000 was not fully achieved.

The actual spending and approved allotment of funds is as follows.

<b>Expenses</b>	<b>Funding Source</b>
\$9,977,231.86	Federal Build Canada - \$3,170,761.90
	Provincial Build Canada - \$3,170,761.90
	City - <u>\$3,401,905.92</u>
	Total - \$9,743,429.72
	Balance \$233,802.14

As stated there is funds within the current Fenelon Falls Residual C.H.E.S.T. Fund to cover this cost. Currently \$315,000 of the balance of this fund is earmarked for this project. The utilization of \$233,802.14 applied to the following projects as identified; Fenelon Falls Recreation Complex (PR1334) in the amount of \$173,802.14 and Ice Resurfacer (FL1218) \$60,000, would leave a remaining balance of \$81,197.86 in this fund dedicated to Fenelon Falls Recreation Complex.

**Relationship of Recommendation(s) To The 2016-2019 Strategic Plan:**

The recommendations within this report directly align with all Strategic Goals through our Value of Collaboration, namely:

- Goal 1 – A Vibrant and Growing Economy
- Goal 2 – An Exceptional Quality of Life

**Review of Accessibility Implications of Any Development or Policy:**  
N/A

**Servicing Comments:**  
N/A

**Consultations:**  
Finance Division  
Build Canada

**Attachments:**  
N/A

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**Department Head:** Craig Shanks, Director of Community Services

**Department File:**