



COUNCIL QUESTIONS & ANSWERS

Meeting date: December 6th

1. In terms of City Hall renovations, how has the project changed since its original inception?

In 2014 the City committed to a building consolidation plan that would see the City divesting itself of several facilities/properties and relocating staff and equipment to fewer sites achieving a more efficient operation in terms of service to the public. The Service Building concept at that time was envisioned to be a stand-alone building in near proximity to the existing City Hall which would house the staff from MSB not slated to move to an operations building (primarily Land & Building Services, Planning & Sustainability Services, and Business & Technology Services).

Subsequently, a separate project to also build a downtown transit hub that would be heated and provide public washroom facilities was also proposed.

In 2019, City Council approved a design contract for the building with the preferred option being to build a new north wing with a southern addition along the existing City Hall and a single public entrance off of Steele Street. Issues of staff security, public access to Chambers, security within Chambers, energy inefficiencies, decay of building exterior, changes to building standards, and the location of the cenotaph were identified as needing to be addressed. A 2020 capital project was approved by Council incorporating the transit hub, demolition of the now decommissioned fire hall on site, energy efficiency upgrades to the existing City Hall, relocation of the cenotaph and construction of the new wing for a total of \$20.8 million.

In April 2021, a report was presented to Council updating the progress to date and informing Council that as part of schematic design the existing City Hall was subjected to a rigorous review with the result being that the portion of the building west of the Steele Street public entrance (built in 1966), would require significantly more structural changes than anticipated to meet new building codes. Council was presented with three options with the cheapest and recommended being to demolish the older portion of the building and rebuild. The scope change to the project was unanimously approved by Council.

Following this, in June 2021, a budget amendment of \$3.9 million based on the Class B estimate and a procurement commencement authorization were brought forward to Council. Council unanimously approved both items.



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With final design, a Class “A” estimate was prepared and it indicated that the total cost of the project could exceed the City’s \$24.7 million budget by \$3.5 million. As soon as this information was received, City staff began reviewing the scope of the project and managed to identify a number of cost savings as well as another funding source for a component of the project. A thorough review of the costings by staff has determined that the remaining \$1.5 million anticipated cost difference is due to COVID related supply chain/commodity pricing and tight labour conditions. Following discussion with Council an additional \$1.5 million was included in the project’s 2022 budget to bring the total project budget to \$26.2 million and enable this project to continue as planned.

A) Has the option to minimally retrofit the existing building and accommodate staff in a different location been considered?

Prior to April 2021 the plan was to only perform energy upgrades to the existing City Hall building and build a second downtown building to house the services displaced from MSB. As detailed above, the existing City Hall was found to not meet current snow load and seismic structural requirements. Further, this option was not the most service oriented or cost effective.

Accommodating staff permanently in a different location has been considered but no viable option has been found. Downtown properties listed for sale and available for lease have been explored, other City properties originally intended for sale through the planned property consolidation have been considered (Parks Building and City Warehouse) and discussion on building onto WOB entered into. Of these options WOB would be the most likely, as it was designed for future growth. However, staff and functions have just moved into this location and issues such as secondary road access, on-site storage, and displacement of existing staff are all factor strongly against this option.

The option to lease space on a long term basis was only briefly considered, but discounted early on in as these costs are not eligible for external funding and there was no desire to increase property tax rates to cover the costs in the long-term.

B) How have timelines changed?

When first envisioned in 2014 the Services Building was anticipated to be complete in 2020, but as WOB became a reality it was quickly realized that due to capacity (internal and external) this was not realistic. The 2019 capital budget submission identified this as a multi-year project with completion prior to the end of the funding timeline set by the federal government. In 2021 the release of the procurement documents were delayed for a few months due to capacity issues with the specialized consultant components of



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the City's design team and the continued ongoing pandemic-related concerns including global construction cost and supply matters. However, the overall project timelines are still largely on track.

C) How many staff will have to be relocated out of City Hall? How many staff need to be accommodated in the longer-term as a result of the entire building consolidation project?

Over the construction period all staff and functions will have to vacate. That means that alternate work arrangements will have to be made for staff from Financial Services (24 positions), Legislative Services (7 positions), Strategic Communications (3 positions), City Manager & Senior Management (6 positions), Asset Management (1 position), Mayor's Office (2 positions). Appropriate work and meeting space, public access space, proximities and technological requirements all need to be put in place for over 40 positions.

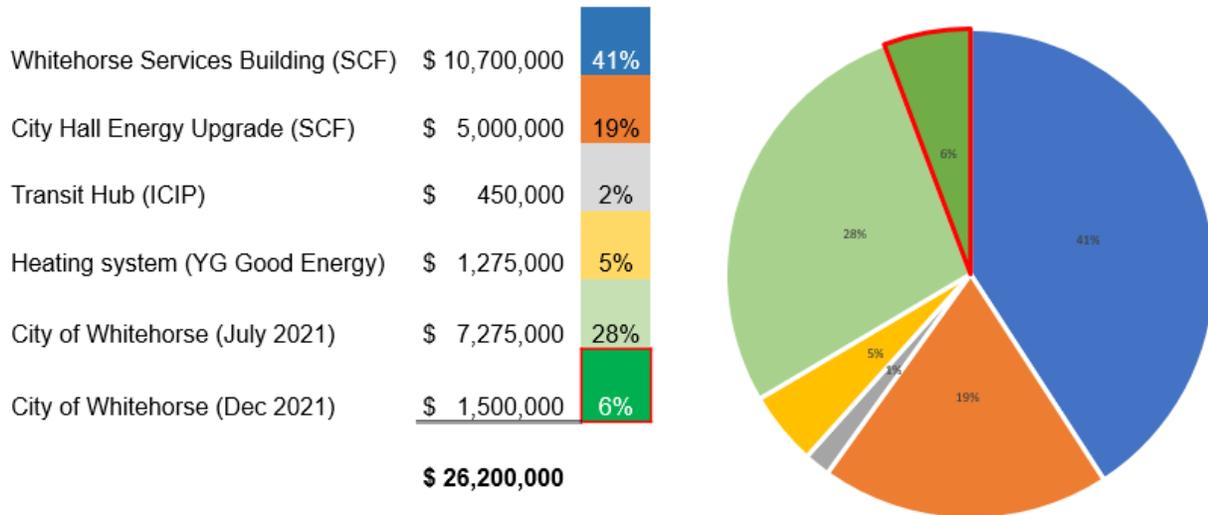
In addition to the above, staff from three City departments were temporarily located in order to close the MSB: Business & Technology Services (12 positions temporarily located at the City's warehouse facility), Land & Building (14 positions temporarily located at a leased property in Marwell), and Planning & Sustainability (9 positions temporarily located at leased property in Downtown).

The renovated City Hall was designed to continue to house Council, Chambers and central "core" services. These include City Manager and division Directors, Legislative Services, Communications, and Financial Services. As part of both internal and public service delivery, the design anticipates including some combination of multiple other departments such as Planning and Sustainability Services, Human Resources, and Business and Technology Systems; slightly more than 80 staff total are expected to be housed in the renovated facility.



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D) How are project costs being funded and are there funding constraints?



As shown above 66% of project funding is anticipated to come from external funding sources with only 34% coming from City sources. Of the \$17.4 million in external funding, \$15.7 million is coming from the federal/Yukon Small Communities Fund (SCF) which is scheduled to end Dec. 31, 2023. The City was extremely fortunate to be able to secure SCF funding for an administration building as these types of buildings are not normally supported; not proceeding at this time would result in foregoing the funds.

To date the City has spent/committed over \$1.4 million towards development of this project. Major costs include over \$185,000 in project management staff costs and consulting fees of over \$1.2 million mainly focused on design costs.

If the City chose to not proceed with the project as planned and instead explored alternate options or made substantive changes to the scope of the project, significant costs could be incurred with planning and redesign, and a large portion of the existing funding may no longer be available based on timeline and expense eligibility.

If the City chose to not proceed, the costs already incurred would not be eligible for funding and would need to be fully covered from City reserves. In addition, upgrades to the existing City Hall mechanical/heating and electrical systems would still be required as these systems are near end of life and not able to efficiently operate. Also a lengthy list of known upgrades to items such as the roof, windows, accessibility lifts, and access points which have been deferred would need to be addressed.

Also, pending completion of the renovation, temporary offices have been secured to house the relocated staff from MSB. Should the renovation not go ahead, these



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arrangements, or alternates, would have to be put in place at an undetermined cost and the City's goal of combining public services at City Hall would be delayed.

As envisioned, given the large amount of external funding directed to the project there is no projected property tax impact. If the project was delayed and funding impacted, costs incurred would have to be built into property tax recoveries.

2. What is the anticipated timing for upcoming lotteries of Whistlebend Phases 7, 8 and 9?

The following provides a summary by season/year of what is being targeted for land lotteries:

Phase	Anticipated Lottery Date
7A	Winter 2022/23
7B	Winter 2023/24
8	Winter 2022/23
9A	Fall/Winter 22/23
9B	Fall/Winter 2023/24

3. For Whistlebend Phase 7 and 8 – what is the difference in the number of units between zoning projections per Phase vs. per Subdivision?

The area associated with Phase 8 rezoning, approved in September, is different from and not directly comparable to the Phase 8 subdivision application presented on Monday, December 6, 2021. Only a portion of the lands considered for Phase 8 rezoning will be included within subdivision Phase 8 subdivision. The other portion was included as part of the Phase 7 subdivision and is known as "Phase 7a", which is why the numbers appear different. The lottery for Phases 7a and 8 is expected in Winter 2022/23. The total subdivision lots associated with the Phase 8 rezoning area are as follows



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Housing Type	Phase 8 Rezoning Estimate (Sept. Area)	Actual Subdivision Lots (within the same area)		Difference between rezone estimate and actual subdivision
		Subdivision 7A	Subdivision 8	
Single	17 lots	0	15	-2 lots
Semi	0 lots	0	0	Same
Townhouse	47 lots	41	0	-6 lots
Apartment / Multi-Family (estimated units)	3 lots	2 lots	1	Same
Total Lots	65 lots	59 lots		-6 lots
Approx. Units	154 units	148 units		-6 units
Approx. People	370 people	354 people		-16 people

4. For Whistlebend Phase 9 - 165 units on the one multi-family lot? How do we come up with estimated number of units on a lot?

Phase 9 design ensures a mix of housing, including lots for single-detached homes, duplexes, townhouses and one multi-family lot. The proposed zoning for these lots could accommodate approximately 165 units total. The actual development potential will be confirmed through detailed engineering and the subsequent subdivision of the area. 165 units is the total units for Phase 9 (not the one multi-family lot). That lot could potentially accommodate 12-25 units (not 165) based on the minimum density permitted in the RCM zone at 25 units/ha and the max at 50 units/ha.