

Municipality of Chatham-Kent
Infrastructure & Engineering Services

To: Mayor and Members of Council
From: Edward Soldo, General Manager, Infrastructure & Engineering Services
Date: October 21, 2024
Subject: Chatham-Kent Community Hub – Project Update

Recommendations

It is recommended that:

1. Administration be authorized to proceed with the Detailed Design phase for the Chatham-Kent Community Hub based on the Detailed Concept Design development and return to Council for approval prior to proceeding with the construction procurement process.
2. The completion of the detailed design for the Chatham-Kent Community Hub project inclusive of the Park Avenue Business Centre alterations be awarded to Architecturra Inc. in the amount of \$2,177,683.46 (including HST), funded from the Buildings Lifecycle Reserve.
3. Administration be authorized to hire a contracted Project Manager – ITT for a period of nine months to support the Detailed Design and construction of the Chatham-Kent Community Hub, in the amount of \$105,839.00, and be funded from the Buildings Lifecycle Reserve.
4. The Mayor and Clerk be authorized to sign the necessary agreements.

Background

On January 15, 2024, Council directed administration to proceed with the [Detailed Concept Design phase for the Chatham-Kent Community Hub](#), consisting of a combined Civic Centre, Library, and Museum at the former Sears building (100 King Street, Chatham). This was to include the development of architectural concept drawings, floor plans, 3D models, and an updated cost estimate. Council also authorized staff to execute an agreement to purchase the property with negotiated terms including a buy-back provision such that the Municipality can trigger the re-purchase of the property at the same purchase price within 18-24 months, should the Municipality decide not to proceed with redevelopment of the property.

In February 2024, staff brought an information report to Council which detailed the [stakeholder engagement process](#) for the Detailed Concept Design phase of the project.

This report included the formation of a Stakeholder Engagement Group (SEG) with members from the following groups.

- Chatham-Kent Public Library Board
- Municipal Museums Advisory Committee
- Chatham-Kent Accessibility Advisory Committee
- Representatives of Municipal Management
- Gallery Advisory Committee (included through Council motion)

This report also identified that a public information centre would be held to provide the public an opportunity to provide input on the proposed draft concept design.

In March 2024, Council approved a motion to have all municipal funding sources required to pay for the proposal for the old Sears building options presented to Council in advance of the report where voting on next steps will occur. This report is being provided two weeks in advance of the meeting date where it will be considered by Council.

Comments

Staff have developed the Detailed Concept Design for the Chatham-Kent Community Hub, centered on revitalizing the former Sears building at 100 King Street. The current facilities, including the Civic Centre, Chatham Library branch, and shared museum areas, utilize 78,160 square feet of space. While this layout has served as a base for municipal services, it limits flexibility, lacks modern amenities, and restricts the capacity to accommodate future growth. The existing buildings do not fully support evolving community needs or provide adequate space for shared programming and multifunctional uses. The proposed redesign aims to address these challenges by optimizing space utilization, enhancing accessibility, and creating adaptable spaces that better serve both municipal operations and public engagement.

The proposed design expands the total space from the existing 100,000 square feet of the former Sears building to 119,278 square feet, representing a 19% increase through three additions to the original structure. This brings the total utilized space from 78,160 square feet to 119,278 square feet, a 52% increase overall. Significant growth is seen in key areas, with the Chatham Library occupying 43,569 square feet, exceeding the Council's minimum requirement of 35,000 square feet. The Civic Centre will cover 46,385 square feet, and the Museum will expand to 29,324 square feet. These additions will create modern, flexible spaces for shared programming and community use, further optimizing the facility for future growth and evolving needs.

Table 1 below outlines the existing and proposed space allocations associated with the design.

Table 1: Summary of Existing and Proposed Space Allocations

Facility	Existing Space	Proposed Space	% Increase in Space
Civic Centre	43,500 sq. ft.	46,385 sq. ft.	7%
Chatham Library	22,960 sq. ft.	43,569 sq. ft.	90%
CK Museum	11,700 sq. ft. (including shared spaces)	29,324 sq. ft.	150%
Totals	78,160 sq. ft.	119,278 sq. ft.	52%

Sustainability is a focus for the proposed Chatham-Kent Community Hub, with the building improvements incorporating energy-efficient systems, including LED lighting, high-efficiency HVAC systems with zoned temperature control, and enhanced insulation with energy-efficient windows. These elements are complemented by water conservation features, such as low-flow toilets and faucets, which reduce water usage while maintaining functionality. Modern technology, advanced IT infrastructure, and enhanced security are also integrated into the Concept Design.

The design prioritizes universal accessibility, adhering to principles that guarantee barrier-free entrances, hallways, and facilities. Features such as assistive technology, braille signage, and adaptable meeting spaces ensure that the Chatham-Kent Community Hub meets current accessibility standards with best practices and remains inclusive for future needs.

Adaptability and future growth are central to the Chatham-Kent Community Hub's design. Flexible meeting spaces will cater to a variety of events, from small gatherings to large community functions. The integration of technology and the building's sustainable features will ensure it remains functional and relevant for years to come.

Detailed floor plans and design briefs are included in Appendices A and B accordingly. The project Let's Talk page also includes a [video walkthrough](#) of the proposed Concept Design.

Stakeholder Engagement

The stakeholder engagement process through the development of the Detailed Concept Design for the Chatham-Kent Community Hub project has been thorough and collaborative. Throughout the design phase, multiple channels were used to gather input from various stakeholders, including meetings with key municipal staff and community representatives, as well as broader public consultation. Details of the public consultation process and participation are described in further detail in the Consultation section below.

Through the engagement processes, staff have received some feedback and concerns regarding a few elements of the proposed concept and project costs. Key areas of feedback have included:

Parking: Concerns were raised about the need for sufficient parking to accommodate increased visitor traffic and ensure ease of access for all users. In response, the design includes a new surface parking lot off 5th Street at the entrance to the library with a proposal to designate additional spaces in this area for accessible parking. Additionally, staff are proposing to dedicate on-street parking spaces along 5th Street and King Street in the vicinity of the building for accessible parking and short-term parking uses during the daytime (e.g., for pick-up/drop-off uses).

The Municipality's agreement with the mall requires the provision and maintenance of 175 dedicated parking spaces for administrative staff, with an option to procure an additional 25. The mall is also responsible for supplying all mandated barrier-free parking. Estimated walking distances from the barrier-free spaces within the parking structure are approximately 45 meters from the surface level to the proposed Southwest entrance and 17 meters from the second level parking structure to the mall entry doors and another 78 meters to the proposed Chatham-Kent Community Hub walking within the mall space.

Design Integration: There were concerns about how the Library, Civic Centre, and Museum would be integrated into a cohesive and functional layout. The design team has addressed this by creating a unified layout that ensures seamless interaction between these facilities. This integration is achieved through careful spatial planning and connectivity, fostering an environment where the Library, Civic Centre, and Museum complement each other effectively.

Accessibility Features: Feedback has emphasized the importance of universal design principles to accommodate individuals with diverse needs. The Concept Design meets and exceeds these requirements by incorporating features such as barrier-free entrances, accessible restrooms, and adaptable spaces. Additionally, advanced assistive technologies and clear signage with braille and large-print options have been included in the proposed Concept to enhance accessibility for all individuals.

Staff have received concerns through the consultation process regarding the anticipated cost of the project and concerns regarding the potential impact to taxpayers. A Preliminary Financial Plan has been included with this report as Appendix C, which illustrates that the project is expected to be funded under existing budgets approved in the 2024-2027 multi-year Operating Budget without further impacting taxpayers in the future. The project cost estimate was reviewed and updated through the Concept Design phase and remains at \$53 M, consistent with the information included in the Preliminary Financial Plan. This value represents both construction and consulting services. These figures are based on the most recent Class "C" estimate developed by the Consultant project team through development of the concept design.

Additional comments received and responses from the project team have been included in Appendix D, and a detailed list of all the comments that were received through the public engagement process have been included.

Operational Costs

The Chatham-Kent Community Hub will consolidate the Chatham Library, Civic Centre, and Museum, which are currently operated in separate buildings. This consolidation aims to streamline operations, reduce redundancy, and improve resource management. While the expanded space will lead to increased annual operational costs, the design incorporates energy-efficient systems and sustainable materials to help mitigate long-term expenses.

As noted in Table 1 above, the proposed space allocations for each of the service areas in the proposed Chatham-Kent Community Hub are increased from existing. Accordingly, the projected costs for utilities, property/facility maintenance and operation have been estimated for each of the proposed service areas based on the Concept Design that has been developed.

Table 2 provides a detailed financial projection, demonstrating both existing and forecasted costs for utilities, including hydro, water, and gas. This projection accounts for the expanded space and the proposed energy-saving measures integrated into the facility design.

Table 2: Existing and Forecasted Utility Costs

Description		Civic Centre	Library	Museum
Existing	Hydro	\$117,643	\$63,964	\$10,616
	Water	\$5,210	\$2,647	
	Gas	\$39,669	\$10,203	\$2,731
	Total Costs	\$162,522	\$78,814	\$13,347
Total Space Current		43,500 sq. ft.	22,960 sq. ft.	11,700 sq. ft.
Total Space Proposed		46,385 sq. ft.	43,569 sq. ft.	119,278 sq. ft.
Increase %		7%	90%	150%
Forecast	Hydro	\$112,901	\$109,240	\$23,964
	Water	\$4,999	\$4,521	
	Gas	\$38,069	\$17,425	\$6,160
	Total Costs	\$155,970	\$131,186	\$30,124
Net Costs		(\$6,552)	\$52,372	\$16,777

* Existing values are based on 3-year average costs

* Forecasted values are based on 3-year average square foot costing with 10% efficiency applied for more efficient systems

Table 3 breaks down facility maintenance costs, including general upkeep, repairs, housekeeping, landscaping, and snow removal. The table demonstrates both current

and forecasted costs, reflecting the needs of the larger facility and ensuring ongoing operational efficiency.

Table 3: Existing and Forecasted Maintenance Costs

Description		Civic Centre	Library	Museum
Existing	General Maintenance	\$38,619	\$11,215	\$5,873
	Housekeeping (FM)	\$107,821	\$40,259	\$423
	Landscaping	\$8,891	\$2,883	\$0
	Snow Removal	\$12,246	\$4,686	\$4,825
	Property Insurance	\$9,801	\$4,592	\$2,824
	Public Internet	\$0	\$2,675	\$0
	Total Costs	\$177,379	\$66,311	\$13,945
Forecast	General Maintenance	\$16,472	\$8,512	\$5,888
	Housekeeping (FM)	\$114,972	\$76,395	\$1,062
	Landscaping	\$4,740	\$2,735	\$0
	Snow Removal	\$9,141	\$6,225	\$8,465
	Property Insurance	\$10,450	\$8,713	\$7,078
	Public Internet	\$7,641	\$7,365	\$5,710
	Total Costs	\$163,416	\$109,945	\$28,203
Net Costs		(\$13,963)	\$43,634	\$14,258

* Existing values are based on 3-year average costs

* Forecasted values are based on 3-year average square foot costing with:

- Maintenance reduced by 60% as this is a new building.
- Housekeeping provided at same service level.
- Landscaping has a 50% reduction to account only for planters and trees in plaza areas.
- Snow removal has a 30% reduction as majority of parking is managed by mall.
- Same level of service for property insurance
- Inclusion of public Wi-Fi system for entire building

Staffing and Resource Allocation

Table 4 outlines the projected costs for increased security services to be available, demonstrating both current security costs and projected future requirements for the expanded facility and cost are broken down by square foot costs. Currently, security at the Civic Centre is limited to Council meeting days, the Library provides partial coverage during designated hours, and the Museum operates without security. The proposed approach addresses these gaps, ensuring security coverage during all operational periods, with extended hours before opening and after closing. A detailed review of operations and costs will occur during the detailed design phase, where financials will be further refined as the project advances.

Table 4: Existing and Forecasted Security Allocations

Description		Civic Centre	Library	Museum
Current	Security	\$2,794	\$42,517	\$0
Forecast	Security	\$235,351	\$221,063	\$148,785

* Existing values are based on 2024 costs and note:

- Existing security coverage for all facilities is not inclusive for all operational hours.

* Forecasted are based on:

- Security will be provided for all operation hours of the Chatham-Kent Community Hub via contracted services.

Park Avenue Business Centre

The relocation of the Municipality’s administrative services to the proposed Chatham-Kent Community Hub also entails the relocation of some Municipal divisions which are currently located in other Municipal facilities into the Chatham-Kent Community Hub, and the relocation of some Municipal divisions into the Park Avenue Business Centre facility on Creek Road in Chatham. The scope of this work has been considered through the Concept Design phase, and the costs for these relocations have been included within the overall project cost estimate, which allocates \$400,000 from the \$53 million budget specifically for these activities. Additional lifecycle work required at the Park Avenue Business Centre has been identified and will be undertaken as part of the design and planning for the relocation of staff within these Municipal facilities, to ensure efficiencies in cost and coordination of necessary lifecycle work with the relocation activities.

Next Steps

Subject to Council’s approval, the Chatham-Kent Community Hub will move into the Detailed Design Phase. This phase involves translating the concept design into detailed plans for construction, including finalizing architectural, mechanical, electrical, and structural elements. Key tasks will include:

- **Architectural Design Refinement:** Finalize space planning for the Civic Centre, Library, and Museum, integrating feedback to ensure the design supports modern needs, accessibility, and sustainability. This includes detailed plans for interior and exterior designs, landscaping, parking, and pedestrian access.
- **Engineering Design:** Complete structural design and finalize mechanical, electrical, plumbing systems, and civil engineering aspects such as site utilities and stormwater management.
- **Construction Procurement:** Prepare comprehensive procurement packages with scope of work, technical specifications, contract terms, and evaluation criteria.

- **Funding Review:** Explore potential provincial and federal funding sources, prepare applications, and conduct an updated financial analysis to ensure the project remains within budget.
- **Stakeholder Engagement:** Continue engagement with key project stakeholders, including the CEO/Chief Librarian, Museum Curator, Municipal departments, Accessibility Advisory Committee, Chatham Kent Public Library Board, and the Municipal Museums Advisory Committee as needed in support of refining the Detailed Design.
- Explore potential sponsorship and naming rights opportunities to support funding and enhance community partnerships within the project.

The following schedule provides key milestones for the Chatham-Kent Community Hub project, including the design phase, budget approval, tendering, and construction.

- **Q4 2024:** Initiate detailed design, refining all design elements and preparing for construction procurement.
- **Q1 2025:** Present updated project budget to Council, reflecting final estimated costs.
- **Q2 2025:** Initiate construction procurement and seek Council approval for award of construction contract.
- **Q3 2025:** Award contract and commence construction.

The anticipated construction period will commence after the Detailed Design Phase pending Council approval and is projected to be completed within 18–24 months.

Detailed Design Phase and Consulting Approach

The Detailed Design Phase will finalize the architectural, mechanical, and structural details for the Chatham-Kent Community Hub and the Park Avenue Business Centre, preparing the project for construction. It is recommended that Architectura Inc. be retained for detailed design and contract administration for the project due to the following requirements:

- **Seamless Transition:** Their previous involvement ensures continuity, preventing delays from onboarding a new consultant project team.
- **Cost Control:** Their familiarity with the project reduces the risk of design revisions, helping to stay on budget.
- **Design Consistency:** Retaining the same firm ensures that the design vision remains aligned with the project's functional and aesthetic goals.

This approach will help maintain the project's schedule, budget, and design integrity.

Council Term Priorities

This report supports the following Council Term Priorities:

			
Deliver Excellent Service	Promote Safety & Well-Being	Grow Our Community	Ensure Environmental Sustainability
1 a, 2 d, 5 a	2 a	3 a, 5 a	1 a, 1 b

Consultation

During the Concept Design Phase, key stakeholders and the public were actively consulted. The Project team, consisting of the CEO/Chief Librarian, Museum Curator, Directors of Community Culture & Connections, Customer Service, and Engineering, and ITT Division members, held regular meetings with the consultant team. These meetings focused on reviewing feedback, developing an initial block plan, creating a 3D model of the property, and detailing the technical requirements for the Chatham-Kent Community Hub.

Three (3) Stakeholder Engagement Group (SEG) meetings were held during the Concept Design phase which included members of Library Board; Museum, Accessibility and Gallery Advisory Committees; and Municipal staff as well as Municipal Staff. Staff also attended Committee and Board meetings to consult with the broader membership during the course of the concept development.

Public consultation included a public open house, as well as online consultation for a period of three (3) weeks where input was received through an online survey through the Municipality's Lets Talk project page to receive feedback. Renderings and floor plans of the proposed improvements and additional materials were posted to the project Let's Talk page. A total of 256 people attended the public open house, and a total of 1,082 responses were received to the online survey.

Table 5 includes a summary of the consultation meetings that took place with the SEG key stakeholders.

Table 5: Summary of Consultation Activities

Date	Meeting Description
Recurring	Meetings of the Project Team
April 15, 2024	Stakeholder Engagement Group – Meeting 1
May 21, 2024	Meeting with Accessibility Advisory Committee
May 28, 2024	Meeting with Chatham-Kent Public Library Board
May 28, 2024	Meeting with Museums Advisory Committee
June 6, 2024	Stakeholder Engagement Group – Meeting 2
July 17, 2024	Public Open House with 256 persons attending
July 17, 2024 to August 8, 2024	Online Public Engagement with 1,082 responses
August 27, 2024	Stakeholder Engagement Group – Meeting 3

A summary of the themes of feedback received through the consultation process and responses from the project team, and a detailed list of all the comments that were received through the public engagement process have been included in Appendix D.

Communication

Communication is proposed to be through the inclusion of this report on the Council agenda and related communications.

Further information on the Chatham-Kent Community Hub initiative will continue to be communicated through a variety of channels, including social media, the [Let's Talk CK website](#), the municipal subscription service as well as posting on the municipal website.

Diversity, Equity, Inclusion and Justice (DEIJ)

The development of the Chatham-Kent Community Hub, encompassing the Civic Centre, Library, and Museum, is designed with a strong commitment to diversity, equity, inclusion, and justice. This project aims to provide equitable access to all municipal services, ensuring that every resident, regardless of background, has the opportunity to fully participate in community life.

The design and construction of the Chatham-Kent Community Hub will prioritize inclusivity, incorporating advanced accessibility features that not only meet but exceed current Accessibility for Ontarians with Disabilities Act (AODA) standards. This commitment ensures that the Chatham-Kent Community Hub will be a welcoming and accessible space for everyone, promoting social equity and reinforcing the Municipality's dedication to fostering a just and inclusive community for all.

Financial Implications

All capital costs continue to be within existing budgets requiring no new property tax increases as described in the following paragraphs.

In August 2022, Council approved up to \$2,000,000 for further due diligence related to consultant efforts, external legal costs, appraisals, structural review of the parking

garage, Building Condition Assessment for the Civic Centre, condition assessment of existing Sears building and contributory value assessment. To date, approximately \$1,022,683 has been spent on due diligence work. Due diligence activities will continue through the Detailed Design stage and any remaining funds at the completion of the Detailed Design stage will be returned to the Buildings Lifecycle Reserve.

The fees to proceed with the Detailed Design Phase of the project are included in Table 6 below. This amount represents 3% of the total estimated project cost of \$52,906,229 for both construction and consulting services. These figures are based on the most recent Class "C" estimate developed by the Consultant project team through development of the concept design. This estimate remains in alignment with previous estimates provided.

Table 6 - Recommended Costs and Funding Summary

Description	Total
A) Recommended Costs	
Recommended Costs for Detailed Design Phase	\$1,927,153.50
Sub-Total	\$1,927,153.50
Plus HST 13%	\$250,529.96
Total Costs (with HST)	\$2,177,683.46
Less 11.24% HST	(\$216,612.05)
Total Recommended Costs	\$1,961,071.40
B) Recommended Funding	
Buildings Lifecycle Reserve (100%)	\$1,961,371.40
Total Recommended Funding	\$1,961,371.40

In accordance with [Purchasing By-law #205-2023](#), Sections 126-129, Council approval is required for a single source award for a contract greater than \$100,000.

Preliminary Financial Plan

A Preliminary Financial Plan with potential funding options was included in the January 15, 2024, report to Council included as Appendix C to that report and here again. It compares the Sears site with the current Civic Centre site to illustrate the marginal cost increase with the Sears site that yields both expanded library and museum space.

Future tender reports will address Council approval for reserve transfers and debenture a portion of the costs to spread some of the project over a generation. As illustrated in Appendix C, the project is expected to be funded under existing budgets approved in the 2024-2027 multi-year Operating Budget without further impacting taxpayers in the future. With Long Term Financial Planning, this and previous Councils have funded the

Asset Management Plan, approved Development Charges, and strategically funded 1% tax equivalent for new buildings. Together, these initiatives have resulted in no further funding from taxpayers required to complete this project at its current \$53,000,000 estimated cost.

The potential sale of the Civic Centre and Library properties, along with sponsorship and naming rights opportunities, offers a viable funding source to offset the capital costs of the Chatham-Kent Community Hub. These options will be evaluated during the Detailed Design phase to ensure they align with the project's financial strategy. Leveraging these revenue streams reduces reliance on traditional funding, providing an alternative approach to advancing the Hub while supporting long-term municipal goals.

Future Financial Considerations

The Chatham-Kent Community Hub is expected to result in increased operational costs as a result of the increased square footage for the existing facilities, which encompass utilities, maintenance, and programming needs. The bulk of the increased costs are attributed to security services. While the facility's design includes advanced energy-efficient systems and sustainable materials to reduce long-term operating costs, these efficiencies are not expected to offset the increase of operational and security costs. A comprehensive financial projection has detailed the anticipated costs for hydro, water, gas, maintenance, housekeeping, security, landscaping, snow removal, and property insurance. These projections are outlined in Tables 2, 3, and 4 to provide a clear picture of the expected financial requirements for the expanded facility. A further review of these costs will be conducted during the detailed design phase, where operational expenses will be further refined.

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Attachments:

Appendix A: Detailed Concept Design Drawings

Appendix B: Design Briefs

Appendix C: Preliminary Financial Plan Chatham-Kent Community Hub

Appendix D: Stakeholder Engagement and Public Consultation Feedback Summary